

# From Reimagining the Future to Delivering It



I come from a family of bankers. The formative years involved moving often, extensive traveling and spending summers volunteering at beautiful “ashrams” (a hermitage or a place of religious retreat) in the Himalayas. What mattered was providing food and clothing to the seekers of nirvana and working together with a diverse group of people for a greater purpose, and have fun doing it. While I was too young to understand the concept of “nirvana” (and perhaps still am), the focus was to deliver a delightful experience to those seeking it. Resourcefulness, aspirations, and practicality were highly encouraged.

Three decades and five countries later, not much has changed.

Today, when I think about what matters in business, it's the entire customer experience throughout the product lifecycle. What matters is shaping the future through innovation. What matters is bringing people together for a much greater cause. **Reimagining how to deliver is about taking bold pathways that have not been explored before, not being afraid of failures, thinking big and making it happen.** All the while being cognizant about the social impact of the choices you make.

To successfully deliver on a good strategy, **you must keep the customer at the center of everything you do.** So instead of first looking inside at our own operation, we look outside. We continuously ask ourselves, how would this benefit the customer? How would it improve their business? How would it add value?

In effect, our customers are asking us to predict the future. Help them be in the best position five years down the road, not just today. And we don't have the luxury of time travel. Some of us will remember the movie, *Back to the Future*. You go back to the '50s to figure out what you're going to need thirty years later. Our trucks are good, but there's not an option for time travel. I'm not sure how you'd explain that in the logbook anyway.

But seriously, **we don't predict the future, we help create it.** One way we are doing this is through predictive analysis. Part of the predictive model is technical, it's the science behind making a better truck. But we're also very aware that, **while the sales team is selling the product, the Aftersales organization is selling the entire experience.** This becomes personal to the customer. That's why it's so important that we understand the art before the science.

At Navistar, we pioneered the concept of predictive stocking in supply chain. It has been a breakthrough. Predictive stocking uses a combination of real-time vehicle telematics data and machine learning algorithms to determine which part, where and how many.

It's working very well, but again, we didn't do it alone. We listen to our customers. And when you listen, you understand. That leads to a passion for figuring out a better way, not just a technical approach. It's also encouraging that our predictive stocking efforts have drawn the intrigue of other automotive brands. When other major players are keeping an eye on you, that's verification that you're truly innovating and that's an encouraging measurement.

We also have to be bold. Instead of just looking at historical data or following the herd, we experiment with innovative ways to make the availability and delivery of parts the best they can be. **We're not afraid to go down a path less travelled. We're not afraid to be the first one to market with something.** Intelligent Fleet Care is a great example – it is our industry's first holistic suite of connectivity applications that come

standard with our Class 8 On Highway trucks. These applications don't just reduce the total cost of ownership of a vehicle, they also help convert an unscheduled breakdown into a planned repair.

Lots of people think of trucks and buses as a means of transportation that might also have some technology on board. But they're actually more like a smartphone on wheels. Connected vehicles actually give customers more control over their operation and their fleet budget. "Smart trucks" allow customers to do many things themselves, like change parameters on the engine through the computer, as opposed to taking the truck to a dealer. Today a fleet manager can see tire pressure on multiple trucks, thousands of miles away from the comforts of the manager's office or home. So, if it drops below a certain threshold the manager can call the driver and ask him to take it to the nearest dealer. We make every aspect of operating a Navistar fleet beneficial to that customer's business.

And we're humble enough to know that certain areas are not our core competencies, so we've partnered with seven industry-leading telematics service providers who make sense of data and offer customized solutions to fleets. We built a pipeline to connect the data directly to our customers so there is communication both ways, and we got out of the middle. We've given our customers a choice of seven different suppliers so they can choose what works best for them. That's being customer centric.

And for me it's not just good for business, it's how I am. I mentioned earlier how much it meant to me to help feed and clothe seekers at ashrams, and that desire to follow a greater purpose continues to this day.

Right now I'm heavily involved in an organization that feeds children in over 100 countries. And it's not just donating time or money. We select, prepare and deliver completely balanced meals. A lot of my team at Navistar have also become part of it. Our parts distribution centers actively participate in volunteering events in their communities. It's really rewarding because we know we are doing something good for a much larger cause, a noble cause.

But I see this coming back to our work here at Navistar. **We are building this mentality of People, Planet and Performance into the operating system.** Navistar parts is a world-class team that not only delivers over \$2B in annual revenue, we make a great positive impact in the communities we operate. Afterall, purpose and profits go together.

**It comes down to taking the time to think, discovering your why, and then having the courage to make it happen.**

That's Imagining *and* Delivering the future. And as for Nirvana, I will take all the help I can get on that one!