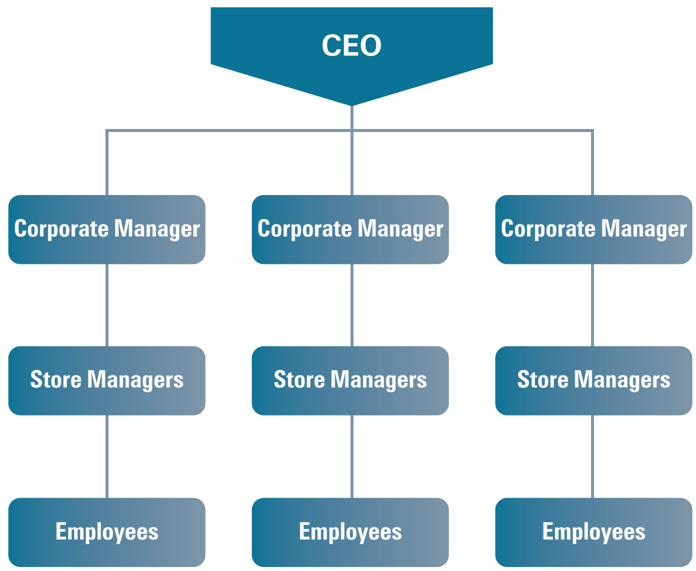
Corporate accountability

FACT or FICTION?

By DR. LARRY COLE



Corporate accountability is a FACT when monitoring the technical performance of the dealership, but mostly FICTION when applied to people performance. The ironic fact is that people drive the success of a dealership so it just makes good sense to apply accountability systems to improve people performance. Right?

Before continuing our discussion on how to implement accountability, please allow me to vent. One of the more frustrating and depressing experiences of being a consultant/trainer is spending hours preparing and delivering content and then being told, *"We just didn't schedule the time to implement what you taught us."* FACT: What a waste of time and money. FICTION: Thinking what was taught was going to work by itself.

Who is at fault here, me, WEDA or company leaders? I'm reminded of an onsite consult with a dealership after two of its employees attended a WEDA course. The president complained that his employees didn't report what they had learned… and he blamed WEDA. You can guess his response upon asking him if he asked the employees what they brought back to the dealership.

Let's visit the technical track of your dealership. Do you devote time each month to review performance data of each of your stores? I bet you do. Why? Stupid question, right? You have to monitor performance so you can implement corrective actions as dictated by the data. So, if Store A's budget is out of whack, are you going to let it go or take action to correct the situation? Again, I think I know the answer.

Readers: Please remember that your most valuable resource is the potential of people, and the actions of people will determine the success of your dealership. Keep reading.

The intent of this article is to outline a corporate accountability system to work with people's behaviors and you are going to see that it's surprisingly simple. I'm sure the organizational chart example looks similar to yours. Yes, smaller dealerships may not have a row or rows of corporate managers. Let's use the following statement as an example of something I hear a lot: *"There is a natural conflict between parts, sales and service."* All I'm going to say at this point is conflict is not natural or normal if each department is working for the success of the store/enterprise. So, here's a takeaway for you: Any department manager who is not willing to work collaboratively is telling you they are not working for the success of the store/enterprise. I don't want to get sidetracked, so let's suppose the store managers (and their people) have agreed upon a series of teamwork strategies to maximize their efficiency.

Corporate Question: How can the corporate staff hold the improvement process accountable? Here's the answer.

1. Corporate staff needs to complete two responsibilities. One, meet on a regular basis. Two, discuss people analytics as a standard agenda item for each staff meeting. Completing these two responsibilities will help determine if your corporate accountability is FACT or FICTION.

2. Store managers should define their teamwork strategies within the store in cooperation with their people. (Yes, engage people whenever possible.)

3. Store managers should report these strategies to their respective corporate managers.

4. Corporate staff, in turn, should discuss the strategies at their staff meetings because these individuals are responsible for holding store managers accountable.

5. Feedback is provided to the respective store managers.

6. What gets measured gets done. People performance has to be measured just as

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you measure technical performance. This measurement can be as simple as, "Yes, we're making progress" or "No, we're not," (i.e., a qualitative measurement). A more sophisticated measurement system is to quantify progress by using a simple Likert Scale. This can take a couple of different versions. One, the department managers (could include their staffs) measure the degree they believe the strategies are improving teamwork efficiency. Two, each department rates itself and is rated by other departments. Yes, this is a bit more cumbersome, but it can provide each department excellent feedback.

7. These metrics are reported and discussed with the respective corporate managers.

8. Corporate staff reviews the data at its staff meetings.

9. Feedback is again offered to the store managers.

10. Store managers review the corporate feedback at their next scheduled meeting.

Idea: For those of you who have multiple stores, share information with colleagues at other stores. Sharing strategies from our teamwork example not only shows that each store is committed to the success of the enterprise, but stores can learn from each other. That is a good thing.

The frequency of collecting data is your decision, and the data collected could vary depending on the performance of the people being monitored. If the lack of teamwork is more of an issue in Store A than in Store B, then Store A obviously needs to be monitored more frequently. I recommend that you complete the accountability process from our Corporate Question example at least quarterly. Yes, store managers can modify their teamwork strategies as the need arises since the working relationship between departments is a fluid process and the strategies to maximize teamwork efficiency will vary over time.

Dealerships shy away from using people analytics in the same manner that technical analytics are used. This is a shame because your people resource has unlimited potential to improve performance, thus the dealership's performance. I might add that a one-day course on "making the use of people analytics easy" is being prepared and will soon be offered by WEDA's Dealer Institute.

Thank you for reading my column. You now have a blueprint for developing a corporate accountability system, and the system will work for technical or people analytics. WED

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