

Do you accept mediocrity on your showroom floor?



BY CHRIS SCHULTHIES

In new vehicle franchises throughout Canada and the U.S., it is not uncommon for a dealership to have a salesperson or two who deliver 15 to 25 vehicles per month. It is also not uncommon to have two or three salespeople who deliver 10 to 12 vehicles per month. However, what appears to be more common in our industry is the larger contingent of salespeople who deliver four to seven vehicles per month, which begs the question: Do you accept mediocrity on your showroom floor?

Top-performing sales professionals are disciplined, goal-oriented, knowledgeable and self-motivated. They set high standards of sales performance for themselves (usually motivated by money, lifestyle, recognition and competition) and consistently achieve them.

The larger group of lower-performing salespeople in our industry, however, is often not driven by money, lifestyle, recognition and competition, and are often not self-motivated.

Now, you might be thinking: "If they're not driven by the rewards of high producing salespeople, why are they in commission sales?"

The answer to that question is varied. During the interview process, many poor performers indicated to the sales manager that they were in fact motivated by the trappings of success. And during the interview, the poor performer may have been motivated to simply get a job without understanding its challenges and performance requirements. Some

poorer performing salespeople also tell us that they are reasonably satisfied with their lower-than-average sales performance because they receive a company demo and their wife or husband earns a good income and is the primary bread winner.

I am not suggesting that every salesperson has the talent and skills or desire to sell 15 to 25 vehicles per month. What I am suggesting is that lower-performing four to seven vehicle per month salespeople need definitive guidelines for unacceptable monthly sales performance and need strong leadership from their dealer principals and sales managers to help motivate them and change their mindset of mediocrity.

In other words, a large number of salespeople will slide to the bottom echelons of monthly sales performance because we allow them to — yes, we permit it by not holding them to a higher standard, not demanding minimum levels of sales performance and not creating a culture of sales process, training, motivation and success.

Oh, I know that we say we do, but we rarely enforce our own minimal standards. In many dealerships we permit and even justify poor performance with excuses like: "It's different in our town;" "There are no good salespeople out there;" "It's too difficult to find good salespeople."

today's environment, or lost faith in its own ability to attract, hire, train and develop a professional, high-performing sales force.

Consider this comparison. A few years ago when I was developing national training for GM's Optimum program, I had the opportunity to study large, successful independent used vehicle dealers throughout Canada and the U.S.

It was interesting to note that in most of these highly profitable independent operations with staff of eight or more salespeople, the average salesperson delivered 12 to 15 vehicles per month.

A salesperson who delivered 15 to 25 was considered good, but not necessarily a top-notch performer. When I interviewed these dealers and their salespeople, several reasons for their higher performance emerged. First of all, many of the independent dealer principals had never worked inside the new vehicle franchise system and had not been influenced by their standards of acceptable and unacceptable sales performance. In other words, they didn't know any better and felt that a minimal level of acceptable performance for a salesperson should be about 12 vehicles per month.

Second, many independent dealer principals told me that at one time when their stores were a tiny corner

first salesperson, the dealer himself was commonly selling 20 to 25 vehicles, hence the dealer thought it wasn't too much to ask for a salesperson to sell 12 or more at a minimum.

I'm not trying to ruffle anybody's feathers by drawing comparisons to the independents — there are advantages and disadvantages on both sides. What I am trying to point out are these simple facts:

- When a dealership decides that there are minimal levels of acceptable sales performance and is not influenced by the mediocrity of its competition or trading area and enforce them with an atmosphere of support, individual sales increase.
- When a dealership does not allow itself to be held hostage by salespeople who sell four or five vehicles per month and overcomes the fear that the guy who sells five cars a month will quit, individual sales increase.
- When a dealership truly believes that its salespeople are capable of higher performance, individual sales increase.
- When a dealership provides leadership, training, coaching and a highly defined sales process to help four to seven vehicle salespeople become 10 to 12 vehicle salespeople, individual sales increase.
- And when a dealer principal and management team decide that its time to raise the level of performance and create a vision for their dealership and a positive, fun and rewarding work environment, individual sales increase.

Although these facts may seem simplistic, what it really comes down to is simply deciding as dealers and managers that selling four to seven vehicles per month is unacceptable sales performance. At the same time, simply deciding that you and your sales staff deserve more is not the simple answer.

The answer to changing the culture of "acceptable mediocrity" lies in leadership, training, coaching, motivation, the implementation of a modern, highly defined sales process all packaged with a fun, positive and supportive work environment.

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Hence, many dealerships have surrendered, begrudgingly, accepting mediocre or poor performance and have become hostage to salespeople who deliver four to seven vehicles per month simply because management has convinced itself not to expect too much from salespeople in

lots, they were the sole employe

When it was time to hire their first salesperson, their rationalization for a 12 vehicle per month performance was simply that it would be the required minimum in order to justify a second person in the business.

Third, when the dealer hired his