

Sales manager or sales administrator? Who's running your sales department?



BY CHRIS SCHULTHIES

Whenever we ask successful dealer principals, general managers and sales managers across Canada and the U.S. what they think are the most important functions and responsibilities of a sales manager, most respond with the following:

- recruiting and hiring salespeople;
- developing and maintaining the showroom sales process;
- coaching salespeople through the sales process;
- working and closing deals;
- following-up with unsold customers;
- providing informative and motivating sales meetings;
- managing dealership leads — both sales calls and e-mail;
- consistently campaigning for conquest sales via prospect lists;
- mining the customer database.

However, the last few years have seen a significant increase in the amount of paperwork and administrative duties that the average sales manager has to do daily. Combine this with a trend of staffing with less supervision and many managers are finding themselves spending too much of

their time on non-sales related tasks:

- inventory management: new vehicle ordering, managing inventory turn, days supply, aging units;
- merchandising: lot and showroom vehicle display, vehicle pricing, etc.;
- advertising: developing strategy, budget, ad creation and placement: print, radio, TV, billboard, web, community, etc.;
- manufacturer communication pertaining to updates of programs, pricing, vehicle allotment, etc.;
- vehicle deliveries: dealer trades, scheduling, accessories installations, paper flow
- developing sales forecasts / reports administration: paying commissions, etc.

As a result of this ever-increasing list of tasks that are falling upon the sales manager, many are inadvertently distancing themselves from the daily activities of managing sales and have been relegated to the position of “the sales administrator” or “task manager.”

When sales managers retreat into their offices and away from the showroom to tame the paper monster, the following occur with alarming frequency and detrimental results:

- they become oblivious to showroom traffic;
- they don't monitor customer traffic;
- they don't interact with customers on the showroom floor on a consistent basis;
- they don't enforce the dealership's sales process and allow the sales staff to become more autonomous;
- they can't get involved in coaching salespeople through the sales process and assisting in the negotiating and closing of the sale.

As a result, when salespeople know their activities are not being monitored, many skip steps and avoid doing the “complete job” with every customer;

As sales managers move further away from real sales-related functions and have less and less to do with customers, many of them lose the important skills of assisting salespeople to close a sale and newer sales managers may never develop them at all.

Sales managers can have a tremendous influence on closing ratios, unit sales gross profits and customer satisfaction when they are more intimately involved with the dealership's entire sales process.

The sales manager should be in a position where they can personally meet unsold customers in the showroom before they leave the dealership in an attempt to close the sale by offering creative and friendly solutions to a customer's objections.

At the very least, when the sales manager is involved with the sale as a “sideline coach,” they can decide if the situation warrants meeting the customer.

The sales manager can also improve the dealership's closing ratio when they are able to regularly cruise the showroom floor and welcome customers to the dealership during the early stages of the sales process as something of a goodwill ambassador.

Think about it. When was the last time you were thanked for going into a retail establishment before you bought a product or service? Specifically, this might simply mean the sales manager politely introducing themselves at the salesperson's work station during the counseling and qualifying step of the sale.

Try on this script for size.

“Mr. Jones. I just wanted to come over and introduce myself. I'm Steve Smith, the dealership's sales manager. I want to thank you for visiting our dealership. I know that you have a lot of choices today when you're shopping for a new vehicle and we're pleased that you've given us the op-

portunity to show you our lineup and provide you with the information that you're looking for. Jim is an excellent sales consultant and I am also at your service.”

Customers and salespeople alike are often impressed when the sales manager makes the effort to cheerfully meet a customer early on in the sales process as well as at the conclusion of the sale. Most sales managers have excellent people skills, outgoing personalities and a confident attitude. And, no doubt, many sales managers are also our best closers.

This begs the question: Where are you sales manager's skills and talents best used — managing sales, or managing administrative tasks?

If your sales manager's skills and talents are best suited to being a leader, coach and motivator, are you making good use of these skills and getting the most out of their strengths or are they being bogged down with a load of paperwork?

Ask yourself these questions:

- Have I clearly told my sales manager what I think are the most important functions and responsibilities of their position?
- Have I given my sales manager coaching, guidance and formal training so they can be effective in carrying out what I deem to be their most important responsibilities?
- Is the store properly staffed so that my sales manager can focus on managing sales and sales people as their primary goal or are they being forced to do administrative tasks?

Chris Schulthies is a senior partner with The Wye Management Group.

The Wye Management Group trains salespeople, F&I managers, used vehicle managers and sales managers throughout North America. He also speaks at dealer conventions and 20 Groups.

Mazda says it will scrap 4,700 cars that were aboard listing ship

DETROIT (AP) — Mazda Motor Co. said Dec. 15 it would scrap the 4,700 cars on a ship that severely listed on its side south of Alaska's Aleutian Islands last summer.

The Cougar Ace was transferring ballast in the Pacific Ocean on July 23 when it listed 60 degrees onto its port side. The ship was hauling the cars from Japan to three ports on the West Coast of the U.S. and Canada.

In September, Mazda said it didn't know how many of the vehicles were damaged, but said they would be sold as used cars with full new-car

warranties. And the fact that they were aboard the listing ship was to be disclosed.

But following testing by its engineers, Mazda changed its mind.

“We decided the most appropriate course of action — with our customers foremost in mind — was not to sell any of the 4,703 Mazdas aboard the ship,” Jim O'Sullivan, president and CEO of Irvine, Calif.-based Mazda North American Operations, said in a statement.

The ship, which travelled under the Singapore flag, was towed into

Portland, Ore., in September for repair. The ship's owner, Mitsui O.S.K. Lines of Tokyo, had said there were 4,812 cars aboard. About 100 were not Mazdas, but the shipping company's agreement with the manufacturer prevented the owner from disclosing the manufacturer.

Most of the cars aboard were Mazda 3 compact cars and CX-7 SUVs, but there was a small number of RX-8 and MX-5 Miata sports cars on the ship. The cars were strapped onto the ship's 14 decks using a special system in their bumpers.

It took more than a month to right the ship, which keeled over so far onto its side that its propeller was out of the water.

Although some of the Mazdas aboard the Cougar Ace showed little or no visible damage, the potential for future problems led the company to reconsider its initial decision to sell any of the vehicles as used, O'Sullivan said.

Mazda had increased production in Japan and sent cars to the U.S. from other regions to make up for the automobiles aboard.