

Improving Profits Through Performance Coaching



Today's market is tougher than ever. We have to take advantage of every opportunity to improve profitability. Performance Coaching achieves this.

What is Performance Coaching?

Performance coaching blends the best of business consulting, training and managing change to put you in the driver's seat for improving your business.

- We look at **Four Focus Areas** in each department of the dealership:

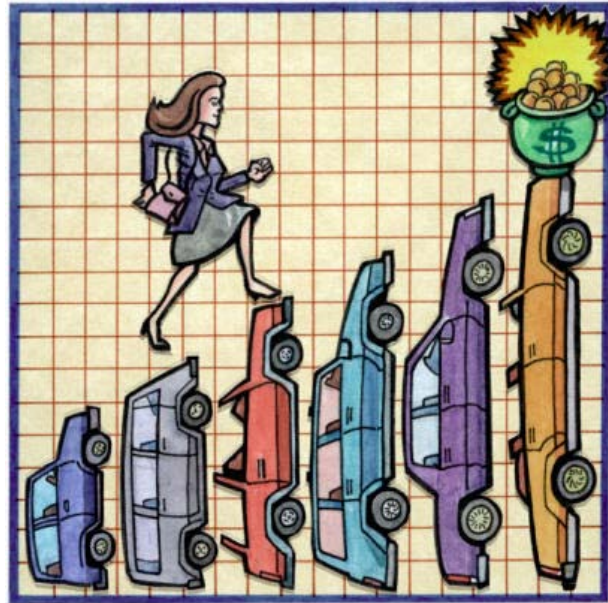
- Marketing
- Inventories
- Operations
- People

- We work with you to improve **Four Key Business Outcomes:**

- [Productivity](#)
- [Profitability](#)
- [Customer Engagement](#)
- [Employee Engagement](#).

- Our **Implementation Process** produces practical, measurable solutions

- We help you **sustain improvement through collaborative coaching and training** to ensure long-term success.



Performance Coaching *Partnership* (PCP)



The key to success is the **Performance Coaching “Partnership”** between you and the coaching team. Nobody knows your dealership better than you. The answers to profitability are found within your team. Your organization has its own unique culture. *What motivates your people? What makes your dealership unique in how it operates? How can you leverage your unique capabilities to achieve better results?*

We address these questions and more through a collaborative performance coaching *partnership*.

Expect Performance Results!

Engaging in a PCP will guide you through practical strategies that produce measurable enhancements in your operation. You can expect to:

- Increase operating profit
- Reduce fixed and variable expenses
- Increase both new and pre-owned vehicle sales
- Increase parts and service business
- Build customer engagement to significantly increase repeat and referral sales
- Recruit, develop and retain the best people.



The Focus of a Performance Coaching *Partnership*



PCP Sales focuses on your variable operations:

- New and Pre-Owned Vehicle Sales
- Financial Services
- Business Development Center
- Internet Sales
- Target Market Sales – Fleet, Ethnic-Focused Departments, etc.
- New Vehicle Prep, Pre-Owned Reconditioning, Delivery Prep

PCP Service focuses on your fixed operations:

- Service – Warranty and Customer Pay
- Parts – Wholesale and Retail
- Body Shop – Insurance and Customer Pay

When you engage in both *PCP Sales* and *PCP Service*, we explore the overall dealership operations along with other key elements not previously reviewed.

How it Works – Three Phases to Results

The **Performance Coaching Partnership** moves through three phases to achieve results: Assessment, Implementation and Sustainment.

Phase 1: Assessment

Phase 2: Implementation

Phase 3: Sustainment

Phase 1: Assessment

The Assessment is performed in partnership with your management and your people. We review performance and financial data, conduct extensive interviews, observe dealership operations and perform an in-depth analysis.

We focus on **Four Performance Areas**, exploring questions such as:

- ❖ **Marketing** – *What is your marketing and advertising strategy and how well is it working? How do you track, measure and evaluate marketing, advertising and showroom activity? What is your customer value proposition? How do you build customer engagement?*
- ❖ **Inventories** – *How well are you managing your inventories (vehicle, time, parts)? How effective are you in meeting market demand?*
- ❖ **Operations** – *How effective and efficient are your operations? Are there processes and guidelines in place? How are operations measured and evaluated?*
- ❖ **People** – *What is your strategy for managing “talent” in each department? How do you build high levels of employee engagement? How do you coach “A”, “B” and “C” players to improve their performance? How involved is management in training and coaching their people each day? How do the train and coach?*



We use the interviews, observations and analyses to develop a comprehensive *Report of Findings and Recommendations* that identifies strengths and opportunities to improve performance. We also present a *30-Day Fast Start Plan* to the management team. From this, commitments are made to take immediate action to improve results!

Phase 2: Implementation

This phase is a high-impact facilitated process to enable your team to create an integrated implementation strategy and launch it.

1. **On-Site Meetings.** During on-site visits, we facilitate a series of meetings to define responsibilities, tasks and completion dates.
2. **Critical Success Elements.** We help your team identify those actions and resources required to be successful—for example, how to produce new processes and guidelines that describe how to perform each step of the new process.
3. **Training.** We train your people in the knowledge and skills to improve your customers' experience and your profits. Depending on your priorities, your people learn how to:
 - ❖ Form and maintain an [implementation team](#)
 - ❖ [Manage change](#)
 - ❖ [Align people and their activities](#) with the dealership objectives
 - ❖ Perform effective [performance coaching](#).



Phase 2 launches the implementation and lays the groundwork for sustaining the improvement process.

Phase 3: Sustainment



Through on-going **phone and in-dealership contacts**, the PCP team supports, encourages and educates dealership personnel as they implement their plans. Our coaches help them work through the inevitable challenges that arise. As they anticipate the calls from their coach, they are accountable for honoring commitments.

1. **Training and Coaching.** Dealership personnel participate in additional PCP implementation training and both telephone and in-person coaching sessions to build knowledge and skills as needed.

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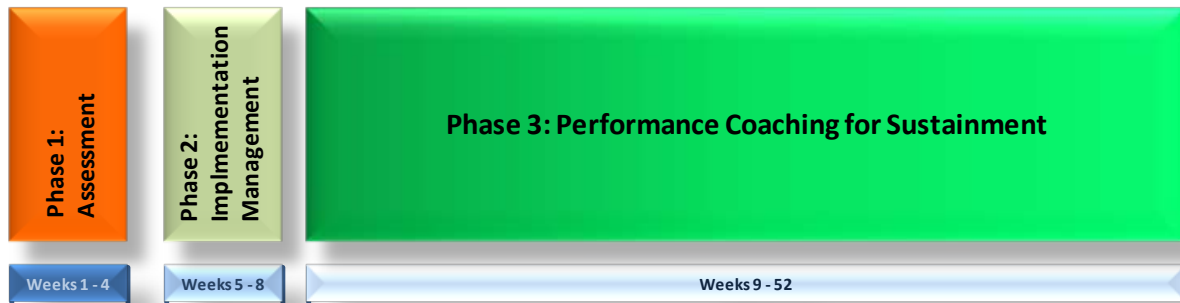
2. **Management Decisions.** The PCP team works with your management team in making the necessary investment decisions and in taking the necessary support actions to make the performance improvement work.
3. **Progress Reviews.** Monthly phone and quarterly in-person progress reviews are used to monitor and sustain performance improvement actions.



At the end of the first year, our team conducts a second less-involved assessment. This details the progress in implementing needed changes and identifies continuing sustainment actions. It demonstrates to your team the value of the work done throughout the year and thereby helps gain commitment to continuing improvement efforts.

The Timeline

A typical Performance Coaching Partnership engagement proceeds along this timeline:



The Investment

The Performance Coaching *Partnership* investment varies depending on dealership size, complexity and length and activities during the phases. Taking the actions that come out the *partnership* yields a great return on investment with payback within the first year.

The People

Contact any Performance Development Group company for a specific quote:

- *John Strom, **Strom & Associates***, Reno, Nevada. 775-851-3000.
jstromsa@gmail.com.
- *John Robison, **Training Matters***, Sammamish, Washington. 425-922 6972.
Jdrobison3@gmail.com
- *Bruce Barkis, **BGB Automotive Resources, LLC***, Westlake Village, California.
805-373-5795. bbarkis@bgba-rsrc.com.
- *Dwight Mack, **Vizion Learning***, Tacoma, Washington. 253-678-2970.
dmacomm@aol.com.

Appendix

Definitions

Alignment – A decision, process or action is in alignment when it improves performance in one of the four key business outcomes without detrimentally hindering performance in another.

Change Management – Helping people more effectively and efficiently make changes in what they do and/or how they do it.

Customer Engagement – Engaged customers are “*raving fans*” to use a Ken Blanchard expression. Engaged customers are more than “satisfied,” they are *emotionally attached* to the business and are much more likely repeat and refer others to the brand and the dealership.

Employee Engagement – Engaged employees do more than is expected on a regular basis. They feel a part of the business and consistently perform at the highest levels. Employee Engagement is the most reliable indicator of an employee’s willingness to continue working for their current organization.

Implementation Team – These are typically teams of 5-7 people to carry out the needed changes in the organization. The members come from those involved in the areas where changes are being made, so there is “buy-in” to the changes and the implementation time is significantly reduced.

Performance Coaching – Leading others to improve performance through training, practice with feedback and encouragement.

Productivity – How much you sell – the numbers – unit sales, hours per R/O, number of parts sold, etc. and how effectively and efficiently these numbers are achieved.

Profitability – How much you make – the dollars – gross, operating (less variable expenses) or net (less variable and fixed expenses).