



# Fixed Operations Digest

## November, 2015

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### Larry's Ramblings:

Those who have attended any of my courses know that I am a great admirer of Lou Holtz. I am a fan of Lou Holtz not so much for his success as a Football Coach as I am for his success in managing his own destiny. Lou and I both subscribe to David Schwartz and Francis Bridges theory on life; The Lord has given us a wonderful gift and "*It is yours to do with what you desire.*"

I also keep a copy of a prayer that Lou would read to his Football Team before every game. I try to read this, at the start of every day.

*"This is the beginning of a new day. God has given me this day to use as I will. I can waste it or can use it for good. What I do today is important because I am exchanging a day out of my life for it. When tomorrow comes, this day will be gone forever leaving in its place that which I have traded. I want it to be gained not lost, good not evil, success not failure, in order that I shall not regret the price I paid for it because the future is just a whole string of nows."*

**- Lou Holtz**

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## Why Managers Fail & How Managers Succeed

I have been giving a lot of speeches this year on the above listed subject. I wanted to share with my readers the key points of this speech in hopes that some of you will find this information useful to helping you avoid failure and guarantee success.

- *Success requires that you overcome your weaknesses and build on your strengths*

### Reason Managers Fail:

- LAZY- There is no cure for lazy!
- No Goals- Great Leaders set *challenging* goals
- No Vision- Great Leaders have a clear vision of where their Department is heading and how it is going to get there
- No Planning- Great Leaders plan, implement, and control
- Failure to communicate- Great Leaders hold regular meetings to communicate their vision and how well everyone is doing toward achieving that vision

### Four ways Managers misfire in communication:

1. They don't correctly address attitude problems among their Employees
  2. They don't adequately follow Organization, Policies, or Direction from their Supervisors
  3. Because of a lack of authority with peer Managers, many fail to use persuasive tactics to resolve problems
  4. Open communication is not used to issue directives to their Staff-Employees to perform better when directives are explained well
- No Delegation- Another mistake to avoid is failure to Delegate. Don't be a milquetoast, people-pleasers are ineffective Managers. Whenever you decide to do mundane tasks yourself, you'll have a very expensive Employee. Save your time and energy for evaluation, critical thinking, and strategic planning

*"One of the most important tasks of a Manager is to eliminate his people's excuses for failure."* -Robert Townsend

- Successful Managers have a clear *VISION* of where their Department is heading, they use this Vision to:
  - Plan
  - Implement

- Control
- Planning requires that you answer critical questions:
  - What is the size of the potential Market my Dealer has created through new and used vehicle sales?
    - Dollars
    - Units
    - What is the size of the Market your Dealership has not yet tapped (potential)?
      - Dollars
      - Units
      - How much of this current and potential Market has your Department already tapped?
        - Retention %
      - A thorough analysis of your current Market situation helps Managers develop realistic
        - Goals
        - Objectives
- Once Goals and Objectives are established, Successful Managers conduct a ***Wants & Needs Analysis*** for their Department
- Constantly evaluate their Departments ***Skills, Knowledge, and Experience*** or ***SKE'S*** needed to achieve desired objectives

## Performance

Net operating profits of 10% to 20% plus contribute to the Dealership's sales effectiveness

- High Customer retention
- High Fixed absorption
- Repeat vehicle sales

## Goals

Understand that Growth & Retention is your mission. A 4% annual revenue growth = a 0% increase when you factor in today's inflation. Successful Managers plan for 20% annual growth in Sales.

## Core Values and Concepts

The foundation for achieving effective performance within a results-oriented framework

- Visionary Leadership & Coaching
- Customer's for Life Strategy
- Commitment to Organizational and Personal Learning & Development
- Valuing Customers & Employees
- Focus on Future Growth
- Constantly Looking Over the Horizon

## **Visionary Leadership & Coaching**

Effective Managers:

- Define a vision of the future
- Set goals for all Employees to achieve
- Create a Customer focus that is central to every task
- Establish clear and visible values
- Set and maintain high expectations

### **Clear Objectives are Defined for Each Position**

Each job position has clearly defined objectives, duties, and responsibilities. Each Employee knows what their individual performance objectives are:

- *Daily*
- *Weekly*
- *Monthly*
- *Annually*

### **Effective Management Techniques**

- Being Customer-driven means much more than meeting expectations and reducing errors or defects
- Being Customer driven means anticipating Customer wants and needs and exceeding their expectations
- This is a strategic concept that demands anticipating:
  - Marketplace changes
  - Changing Customer requirements
  - Competitor's offerings
  - Awareness of developments in technology

### **Commitment to Organizational and Personal Learning**

Effective Managers strive every day to:

- Enhance value to Customers through new and improved Products & Services
- Develop new business opportunities

- Reduce errors, defects, waste, and related costs
- Improve responsiveness and Cycle Time Performance
- Increase productivity and effectiveness in the use of all resources throughout the Organization
- Fulfill their responsibilities to the Dealership to support vehicle sales

## **Effective Manager Value Employees**

Valuing Employees means recognizing their personal and professional needs, and committing to their:

- Satisfaction
- Development
- Well-being

## **Agility**

Customers expect new or improved Products & Services in a shorter Cycle Time than ever before.

- Effective Managers understand that faster & more flexible response to Customers is more critical today than yesterday
- Improvements in response time often require
  - Simplification of work processes
  - Processes that focus on the Customer
    - Customer Service Reps
    - Express Service Teams

## **Each Employee has a Playbook to Follow**

*Clearly Defined Procedures and Processes:*

- Each step in the process of handling Customers' needs are flowcharted
- Procedures for handling each step are written out and made available to each Employee
- Performance standards for each step in the process of satisfying Customers are established and written

## **Innovative Organizational Structures Require Innovative Pricing Structures & Strategies**

If you give your Customers everything they want, then you have earned the right to charge them for it! *Customer survey's tells us they will pay up to 20% more for "The*

WOW". Pricing structures must be based upon a thorough understanding of what the competition charges and the level of services they offer.

## **MAP- Management Action Plans**

Performance measures that effective Managers establish, represent the factors that lead to improved Customer, Operational, and Financial Performance. A comprehensive set of measures or indicators tied to Customer and/or Organizational Performance requirements represents a clear basis for aligning all activities with the Organization's goals and to achieve growth.

## **Management by Fact**

How much is each Employee contributing?

## **Focus on Results and Creating Value**

Results should be focused on creating and balancing value for your Customers.



Remember

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*"Winners have Plans, Losers have Excuses"*

- Larry Edwards

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**Enroll in an E&A Manager College Course Today...**

### **Upcoming Course Schedule:**

- Collision Manager College Course- December 8-10, 2015- Charlotte, NC
  - For More Info [Click Here](#)

- Parts Manager College Course- January 19-21, 2016- Charlotte, NC
  - For More Info [Click Here](#)
- Service Consultant Advanced Selling Skills Course- February 9 & 10, 2016- Charlotte, NC
  - For More info [Click Here](#)

**\*Please note these courses are not confirmed until we have 5 enrollments and then we will notify you that the course is confirmed.**

## **Executive Learning Resource for Top-of-the-Line Fixed Operations Managers or Those Who Want to Be**

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