

## Changing of the Guard

By Mark A. Walsh

I had occasion recently to address a group of successful Dealers at a black tie function. Throughout the evening I socialized with a number of individuals in the group.

One rather well-to-do Dealer was ranting and raving about the state of today's market and how 'tough' it was out there. Granted it is tough – for everyone incidentally. He then went on to reminisce about the 'good old days'.

If there is one thing that makes my blood boil, it's this nonsensical notion of the so-called 'good old days'.

Yesterday is dead – dead as Julius Caesar.

People who continually borrow credibility from their past are living on borrowed time. If your memories are greater than your dreams – your days are numbered in this business. To simply survive, you'll need to learn to adapt and respond to current conditions.

The Automotive Sales Arena has changed more in the past ten years than in the previous one-hundred years. In fact it has done a complete 360. The once preserve of niche manufacturers has come under attack from the traditional volume manufacturers and all Automobile makers are contesting the volume sales race.

Lofty customer satisfaction expectations are slowly manifesting into more logical customer loyalty goals. Manufacturers and Dealers alike are on a search from sea to shining sea seeking a competitive advantage to retain the customer from the womb to the tomb. Times have indeed changed. Precious percentage points on the market share ladder are regarded and revered as the 'holy grail' of sales success. The pressure on margins of dealership profit has effectively transformed

the manufacturer into the 'retailer' and the dealer into the wholesaler. The net result for the Dealer is a business as usual approach will be a death sentence. You mark my words, many of yesterdays peacocks will become tomorrow's feather dusters.

In order to survive in tomorrow's market you have to face up to the facts. The most important of which is that you will need to actively manage your sales departments daily activities *daily*. Too many managers only make changes when things go wrong. Develop an upgrade mentality. Realize you and your team are either getting better or getting worse. There is no such thing as the 'status quo' in today's market.

Hold regular 'sacred cow' hunts, run a hate campaign against mediocrity and perpetually prune your store of unproductive people and processes. The biggest burden on business are the unqualified, unemployed people that are still on your payroll. In today's dog-eat-dog market, you simply can't afford to waste time with people that don't pull their weight and pay their way.

Unproductive players are the death knell of any team. By ignoring poor performance you are creating a self fulfilling prophecy. 'Cellar dwellers' condition you to their comfort zone and over time instead of raising their performance to your standard, you compromise your expectations.

The bugle is sounding a loud wake up call. Smell the smoke. With more car company's offering a more sophisticated, better educated and more demanding consumer more choices than ever before, *now* is the time to step up to the plate. Never before was there such an exigency to have the right people in the right places working with the right processes.