HIRE BETTER NOT MORE

Real-world Advice for Creating a Winning Culture



COX AUTOMOTIVE



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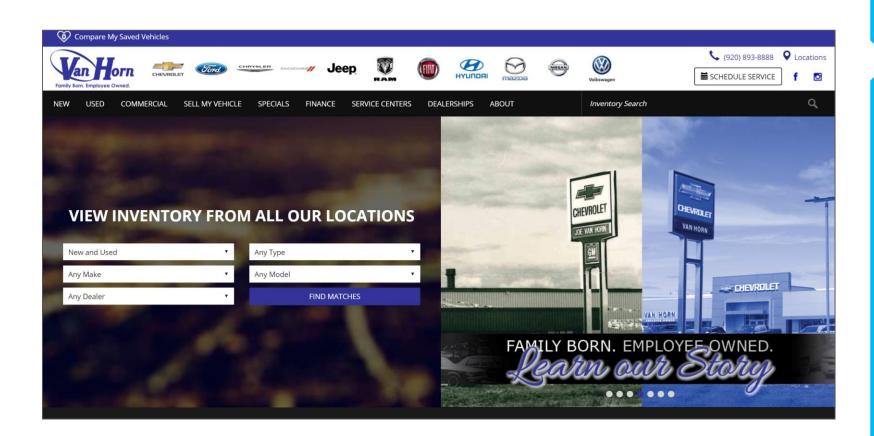
Van Horn Auto Group

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Van Horn Automotive Group



- Employee Owned
- 550 Employees (and growing!)
- Operating in 2 states
- Been in business since 1966
- Started as a single store in Plymouth, WI
- Now have 16 stores in the group

National unemployment rate

3.7%

enemp



People Business of Selling Cars

- 1. In 2016, employee turnover at dealerships in the United States increased by 3% (from 40% to 43%).
- 2. Each sales person that leaves a dealership can cost the bottom line **\$45,000**.
- 3. Total turnover cost per dealership averages nearly \$439,000 annually.



"The difference between a mediocre dealership and a great dealership is the strength of its people...improving the people side of automotive retail is the last great return on investment available to dealers."

- Adam Robinson, CEO of Hireology



DOOM IS INEVITABLE. GLOOM IS OPTIONAL. - SETH GODIN

The average tenure of a dealership employee is 2.4 years.

And for sales consultants, it's just 18 months.







STEP 1 Improve Training



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STEP 2

Develop

Company Culture

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STEP 3

Adjust Hiring Practices



STEP 4

Tie Hiring Strategy to Business Strategy



STEP 5

Try Something New



Improve Training

Top performing dealerships are **more likely to provide formal training to their employees** (57 percent versus 40 percent of the poor performers).

- McKinsey & Company



Improve Company Culture

Companies that provide ample employee recognition have 31% lower voluntary turnover rates than companies that don't.

- Deloitte

Adjust Hiring Practices

8 THINGS TO AVOID IN YOUR HIRING PROCESS

- 1. Hiring someone without properly vetting for a sales position just to "fill the seat" quickly
- 2. Hiring someone after only 1 interview by a single manager
- **3**. Failing to have a list of reasons to work for the dealership
- 4. Overselling the position (for instance, telling a sales position applicant that its easy to make \$100k a year)
- 5. Not doing a background check or checking references
- 6. Keeping applicants waiting past the appointed interview time
- 7. Not worrying about impressing the recruit
- 8. Hiring a training class of 10 applicants for just 2 or 3 open positions



Hiring Strategy = Business Strategy

1. Employee satisfaction and happiness,

2. Voluntary turnover rate,

3. Involuntary turnover rate,

Dealertrack DMS

4. Retention rate by department and manager, and

5. Training expenses per employee.

In addition, dealerships should calculate the true cost of employee turnover, which involves more than an individual worker's annual salary or hourly wage.



DEALERS WHO PRIORITIZE PEOPLE, WIN.

THANK YOU

For more information visit dealertrack.com

