

The Manager's Role in Your Dealership - Part 2

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In my last article, I discussed management responsibilities and the attributes of a successful manager. Finding, developing and keeping good employees remains a challenge when operating a business. It is, perhaps, a more difficult task when it comes to management positions.

Two tools can prove very helpful in this endeavor.

Tool #1 – Organizational Chart

One tool is an organizational chart showing the lines of reporting/authority. Such charts can be as informal as a sketch on a yellow pad, or created with a specialized computer program. (Excel spreadsheets are useful for creating organizational charts.) Regardless of how you create it, an organizational chart helps you define the lines of authority. In addition, it makes it easier for employees to understand how the organization is structured. For managers, it helps define the limits of responsibility and authority. You may also find this chart useful when interviewing candidates for management positions.

Tool #2 – Written Job Description

A second tool, important for every position, is a written job description. This tool helps you organize your thoughts about the knowledge, skills and abilities a person should have in order to successfully fill the job. It helps identify qualities the best candidate must possess, as well as areas where formal education or training is necessary. Job descriptions also provide a basis for determining what training you could provide. If you take the time to create accurate and realistic job descriptions, you will immediately see how different a manager's job is from employees such as service technicians or salespeople.

An important point to remember about written job descriptions is that they must comply with the Americans with Disabilities Act (ADA). This means the job description should include the "essential" physical requirements of the position. Activities like lifting, sitting, climbing, standing, walking, etc. need to be quantified. Working conditions also must be identified, including noise levels, heat, cold, fumes, etc. This is not as difficult or tedious as it sounds and checklists are available to help identify physical requirements.

Finding Management Talent

Once you have the tools, you are ready to begin the job of finding management talent for your dealership. Where do you look? You will likely consider both internal and external candidates. There are pros and cons for both.

Promoting from within is common in almost all companies. Perceived advantages are that an internal candidate already understands your business and your unique company culture. In some cases, you may feel that an internal candidate will be readily accepted by other employees. This may well be true as long as that internal candidate has the interpersonal skills in communication and leadership to function as a manager.

Unfortunately, more often than not, you lose a good technician or salesperson and end up with an ineffective manager. This happens precisely because the skills your current employee has are NOT the skills a manager needs. Lawrence Peter, writing in the late 1960s, coined the phrase, "The Peter Principle." This is the idea that, over time, people can be promoted until they reach their level of incompetence. It happens because we assume that if a person is good at one job, they will be just as good at the next higher level of related responsibility.

As to the argument that other employees more readily accept an insider, if the new manager is not qualified, this initial acceptance soon turns to dissatisfaction. Problems also arise for the manager when he or she realizes they are no longer “one of the gang” but are now “leader of the pack.” Workplace relationships and friendships have to change and that can prove very difficult.

It’s often difficult for employees to accept not being promoted. Some people sincerely believe that after many years of service they “deserve” the next promotion. But, length of service doesn’t automatically equate to “qualified for the job.” It’s possible that you have a service technician, salesperson or administrative worker who also has management abilities. But, more often than not, the person who excels at their current job goes into a management position thinking they are the only one who knows how to do things. This leads to the dreaded micro-manager and every other employee’s work environment changes for the worse.

There can be other issues related to compensation and your expectations regarding the amount of time a manager spends on the job. Someone accustomed to being compensated for every hour of work may have difficulty adjusting to working more hours but receiving a fixed amount of salary. Issues concerning overtime often arise, as well.

It can be very difficult to avoid this “auto-promotion” syndrome. Remain clear about how you intend to fill vacancies from the start. If you have a handbook, make sure any mention of promotion cannot be interpreted as a guarantee that positions will be filled from within. Stress that you seek specific qualifications for every position, including management slots. Explain that you will consider current employees, but will also look outside for qualified people.

Treat internal applicants as you would external applicants. This means requiring a resume, application and in-depth interview. Any internal candidate who thinks they are exempt from the selection process is probably not the person you need in management.

When you interview these candidates, don’t spend a lot of time discussing their abilities in their current job. Instead, ask them how they propose to help others develop into exceptional employees. Ask them for their assessment of co-workers’ strengths and weaknesses and what solutions they might have for addressing employee issues. Have them review the job description and explain how their abilities are a match with what you need. And don’t forget the all-important question, “Why do you want to be in management?” (Hint, “For the money” is the wrong answer!)

In the next installment I will discuss external candidates: how to deal with rejecting a current employee; and begin a discussion on management development. Please stay tuned. If you have input or questions on this topic, feel free to call me at the HR Help Line at 800-683-3440 or e-mail lesley@taxfavoredbenefits.com.