

Spader Business Management

Celebrating 30 Years Helping Businesses Become More Successful

After 30 years helping businesses change to become more successful, Spader Business Management continues to offer its trademark Total Management I workshop and 20 Groups to thousands of businesses in ten different industries every month. This fall, the company plans to launch a whole new level of training with its Total Management II workshop.

Spader Business Management, an I-NEDA Recommended Provider, got its start when Duane Spader opened a mobile home and RV dealership in Brookings, SD. The business was relocated in 1971 to its current location in Sioux Falls, SD, where it survived high gas prices in the 1970s through Spader's growing understanding of key management principles.

During that time, Spader served as president of the National Recreation Vehicle Dealers Association. He gave short talks on what he had learned while operating his business. Demand for his talks eventually grew to the point where he had to start charging for his presentations. Duane Spader, the trainer, was born.

"My father's vision was probably 25 years ahead of his time," reflected John Spader, president of sales & marketing. "He always dreamed of doing this (Total Management II workshop) and it's been very fulfilling – both for myself and the whole organization – to be able to carry out a vision he started out with over 25 years ago."

Total Management Workshops

The company's Total Management I workshop has served as the foundation of Spader Business Management for 25 years. This training program focuses on the financial side of the business (how to have more time and make more money), while the new Total Management II workshop will cover the people side of the business (how to develop and sustain a high performing culture and people, leading to a solid and stable business).

Todd Barker of Barker Implement and Motor Co., Inc., Lenox, Iowa, attended a pilot Total Management II Workshop. "It's a really neat training program. It helps you expand the people side of the business and get people to march to the same drum."

"In today's world of faster change, bigger businesses, and merging store cultures and owners, the people side has become a much bigger piece of business management," stated Spader, who stressed that as any industry matures, the organizations get bigger, competition grows fiercer and margins get tighter. "The farm equipment industry is not only consolidating, it's shrinking. This puts a lot more pressure on dealerships. One key way to differentiate yourself is with the people side of your business."

Spader also encourages business owners to focus on the vision, mission statement and values of their businesses. "Most people are merging right now or buying stores out of a

strategy issue – *not* coming from the right end. They need to stop and ask themselves, why am I in business other than to make money?” stressed Spader. “They also need to ask, if I can’t make one or two stores run well, what makes me think I can run five or six stores where it gets a lot tougher and more complex?” he added. “That, in my personal opinion, is one of the biggest problems affecting farm equipment dealerships right now.”

Managing Forward

Spader went on to explain that problems in a business are usually caused by one of four things: culture, people, process or strategy. He stressed the importance of developing a strong culture in your business first.

“Most small businesses – farm equipment dealers in particular – tend to start with a strategy, develop a process to follow that, get people to follow the process, and then get a culture by default. It should be just the opposite,” emphasized Spader. “You should start with the culture you want instead. Find the right people. If you get the right people in the right job, they’ll make a process better than any entrepreneur could come up with. Your culture should not change. It’s your anchor.”

Spader Business Management has partnered with Dr. Michael O’Connor, an internationally recognized expert in people management, for nearly 30 years. Many of O’Connor’s concepts, including “Managing Forward,” are utilized in Spader Business Management’s training programs.

“If an organization wants to position itself for continuing long-term success and maximize the performance of its workforce, its priorities should be arranged culture first, followed by people, then processes, and finally strategy. A strong culture and great people are the core around which efficient and effective processes, systems and strategies revolve,” explained O’Connor in his article titled, “Managing Forward: A Model for Total Business Success.” Following is a brief excerpt from his article detailing these areas:

Culture – There are two different cultures: The “expressed” culture (the way things are supposed to be) and the “actual” culture (the way things really are). According to O’Connor, in order for a strong culture to develop, an organization’s core values must be clear, management must believe in them, and these values must be continuously communicated.

People – A culture cannot exist without people and it’s people who create and maintain the vibrant work environment that allows the proper processes and strategies to emerge and grow. O’Connor feels that since dedicated, capable performers tend to produce excellent processes and strategies, the organization that wants to get ahead and stay ahead should take care of its culture and people first, then focus on processes and strategy.

Processes – Before a successful strategy can be successfully implemented, certain central processes – and the people responsible for them – must already be in place. “What superior processes deliver in the long run are greater reliability and efficiency, in the form of less waste,” he stressed.

Strategy – While culture and people are internally controllable, a company’s strategy is how it chooses to focus its culture, people and processes – in the form of products, services and initiatives – in response to the outside world. “No matter how good an idea or product is, inept execution will almost certainly doom it to extinction, so it doesn’t make sense to make an organization’s strategies and processes a higher priority than its culture and people,” concluded O’Connor.

20 Groups

Spader Business Management’s 20 Groups have remained a popular aspect of the company’s training program for 30 years. The theme of 20 Groups is to share ideas, trends and successes. “That’s what 20 Groups are all about – helping one another achieve greater success,” said Spader with pride. “I can’t tell you how many owners I’ve had say, ‘for the first time in my life I can just unload anything. It’s the only place I can go and unload and people truly understand not only where I’m at, but help me determine what I need to do in order to move forward.’”

“While the effort and expense of participating in a 20 Group is considerable, there are times during each meeting when the light comes on about a strategic issue, a philosophy of operation, a process or approach, that makes the participation more than worthwhile,” emphasized Russ Stigge of Bennington Equipment, Inc., Bennington, Neb. Stigge has been a 20 Group member for nine years. “We have taken back processes and ideas from the group to every department of our dealership.”

Dick Samuelson agreed. “I would highly recommend Spader Business Management. Otherwise, I wouldn’t have stayed with it for nearly 15 years,” praised Samuelson of Samuelson Equipment Company, Hastings, Neb. “The opening at our 20 Group always starts with ‘How’s Business?’ It really gives you a feel for trends that are happening in other areas of the country.”

“We really wanted to get in a group where we could share numbers and really look at management practices,” added Barker. “20 Group is exactly what we were looking for. We always come away with things we can utilize at our dealership. Each member brings a unique aspect to the group.” Throughout the year, Barker will call members who are doing something well and ask for their suggestions on how to implement a similar process at his business.

For example, this summer Barker plans to implement a process to more closely monitor the images his stores are putting out. “It’s tough to maintain a clean retail environment in the equipment business,” he explained. “However, one of our 20 Group

members has developed a monthly process that seems to work well. We're going to take that process, tweak it a little bit, and implement it at our business."

Spader concluded, "A lot of trainers don't understand the principles they are training. They know it works, but they don't know why. At Spader, our training gets into why it does or does not work. Why are we doing it? What needs to be done? How are we doing it? All of our training starts from that foundation and then goes on to developing systems.

We get to look inside thousands of businesses within 10 different industries every month. Our training takes out of the high performers what they're doing and mapping it. For example, when someone comes to us who's been in business five years or more, we're not going to tell them anything they don't already know in their gut, but we're going to give them a system that's trainable, repeatable, clear, understandable and, most importantly, in writing. Our training helps them switch from owner-directed and owner-driven, to owner-directed and *employee-driven*."

"If you are not in a management group activity of some kind, you need to ask yourself why," concluded Stigge. "Are you ashamed to show someone your operating statement or explain why your philosophy of doing something doesn't appear to be working? Remember, there are dealers out there who are a lot smarter than you are. If you are lucky enough to have them in your group, you will receive huge rewards that will benefit every part of your dealership."

Barker agreed. "Anybody trying to grow their business and wanting to stay in for the long haul should look into a 20 Group with Spader. You need to take advantage of resources like this, because you've got to continue to sharpen the saw."