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## Construction Equipment Distribution

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# STAND OUT

# FROM THE CROWD

## Workplace differentiation - does your dealership have a competitive edge?

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Every day your dealership strives to find new ways to attract, retain and grow customer loyalty and market share. One key strategy dealers use to set them apart from others is differentiation. Its goals are simple but also challenging to sustain – distinguish yourself from others; make it more attractive to do business with you; and contrast your unique qualities compared to your competition.

This same strategy of differentiation and its goals are and will be even more critical in the future in finding, hiring, and keeping a talented workforce. Consider some of these labor forecasts:

- ▶ The Bureau of Labor Statistics forecasts that diesel mechanic demand will grow by 12% annually
- ▶ The American Welding Society estimates there will be a shortage of nearly 300,000 welding-related positions by 2020.
- ▶ If the current trend holds, the American Trucking Association estimates the shortage of drivers may balloon to almost

175,000 by 2024.

▶ Retiring baby boomers are vacating jobs faster than younger workers can replace them – especially in occupations like skilled trades and manufacturing. Some researchers are predicting 10 to 15 years of labor shortage.

So what's your dealership's strategy for creating and sustaining Workplace Differentiation?

Historically, many businesses have used "rational" elements to achieve workplace differentiation – higher wages, financial incentives, long-term employment, low cost health care, and "perks" like subsidized child care and fitness facilities. But, these elements have trended toward "same" not "different" as fierce, global competition has grown.

Other businesses have focused more on "emotional" elements including: creating an engaging and inclusive business culture, values-based behavior, non-financial reinforcement (recognition), and increased personal development opportunities. It's

this first set of elements – engagement and inclusion – that we will devote the rest of this article.

First, here's the good news. There are common solutions for increasing engagement and inclusion in your dealership. Resources and actions can be leveraged or as the saying does – kill two birds with one stone. And, there are significant business benefits if successful. Research has shown:

- ▶ Engaged employees are 87% less likely to leave an organization than their counterparts (Corporate Leadership Council)

- ▶ Individual performance is 20-28% higher for engaged employees (The Conference Board)

- ▶ 70% of engaged employees indicate they have a good understanding of how to meet customer needs, while only 17% of non-engaged say the same (Right Management)

- ▶ Deloitte found that inclusive teams outperform their peers by 80% in team-based assessments. In a separate study they also found inclusive teams were 1.8 times more likely to be change-ready and 1.7 times more likely to be innovation leaders in their market

Now, here's the challenge. Many organizations have tried initiatives in employee engagement and inclusion. But, they have failed to produce sustained results. Let's call these – "pesky birds". Here are four common ones:

1. Wild goose chase. If a leader or organization believes engagement and inclusion are "nice to do" compared to "need to do" then there is perceived limited strategic value. Things "nice to do" will naturally get lower priority for time, money, and resources in your dealership.

2. Put all their eggs in one basket. Too often organizations use a single indicator to measure success or failure in engagement and/or inclusion. Most often it is a survey number. High performing organizations use informal and formal measurements of behavior, process discipline, and perceptions to create a more holistic set of metrics.

3. Water off a ducks back. This pesky bird is all about accountability. It involves blaming others, not being pro-active, and not taking ownership. Some organizations tolerate taking short-cuts, skipping steps, and allowing countless exceptions to the rules without any serious consequence. There must be positive consequences for being accountable as well as negative consequences for avoiding accountability.

4. Chicken out. To create sustainable gains

in engagement and inclusion there must be behavior change. Some leaders fear engagement and inclusion initiatives because they believe "it's just more stuff to do". In reality, it's more about "the way you do the things you should already be doing." Don't let leaders back up or out!

Here are five areas of focus (common stones) that can create a ripple effect in enhancing both engagement and inclusion efforts in your dealership.

1. Provide Clarity. Clarity helps build focus (what to do), understanding (when and how to do it), and trust (who to do it with or for). It also is the key, first step in driving personal accountability. Here are some key communication reminders for clarity:

- ▶ Take three steps. It all starts with sharing information. New technology makes this faster and easier to do. But, creating clarity must also include generating understanding and reinforcing key messages. Dialog, discussion, debate and other "high touch" communication must be balanced with new "high tech" solutions.

- ▶ Increase retention. Research shows key messages must be repeated at least seven times, using different communication techniques and media, for the average person to retain. Make sure they clearly remember!

- ▶ Listen with your eyes. Non-verbal communication makes up more than 50% of all human communication effectiveness. Successfully reading non-verbal communication can give a leader immediate feedback on the potential understanding and receptiveness of their message.

Research has found that a business with 100 employees spends an average of 17 hours per week clarifying communication. The estimated waste is \$500,000 annually.

2. Focus on Relationships. Author Maya Angelou once said, "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." So, bottom line how do leaders in your dealership make employees feel:

- ▶ Important?
- ▶ Genuinely cared for?
- ▶ Appreciated?

The choices leaders make in how they spend time explicitly shows others IF relationships are important and WHICH ONES are most and least important.

3. Make Everyone's Opinion Count. When leaders don't ask for, listen to, and/or use others' opinions they can easily send some extremely

negative perceptions including: "I don't care."; "I'm not interested."; and "I know better." Instead, consider:

- ▶ Being disciplined to review and get back to individuals on their ideas or questions in an agreed period of time.

- ▶ Selecting diverse staff for special projects – not just picking the same "favorites".

- ▶ Letting employees make some of the decisions in change initiatives to increase buy-in and transfer ownership.

- ▶ Feeding employees' perceptions and ideas "up the line" to senior leadership – to maximize their voices being heard.

4. Empower. When leaders empower employees they work closer together on common goals – partner better on challenges – and exhibit a higher degree of trust. Real empowerment involves giving employees responsibility, accountability, and authority. It also involves:

- ▶ Providing both the "know how" ability and the "know why" understanding

- ▶ Establishing clear boundaries (absolute power and authority is never implied)

- ▶ Holding regularly scheduled HAYD dialogs (how are you doing?)

- ▶ Letting people know what others are empowered to do

5. Recognition. Research has found the ideal praise to criticism ratio is nearly 6 to 1. When employees feel they have made sacrifices, put in extra effort, solved problems, and delivered results but nobody says anything – it's disengaging and can feel exclusively given to some but not others. And, it's not just verbally saying "thank you". It can be:

- ▶ A smile, eye contact, vertical head nod, high five

- ▶ A short text message

- ▶ A memory anchor – like a pack of Lifesavers or a \$100,000 chocolate bar with a handwritten note

Regardless of the method, make sure recognition is sincere, timely, and specific to maximize impact.

So it's time to talk turkey. Does your dealership distinguish itself from other employers – is it a more attractive place to work – and does it offer unique qualities? Can it consistently find, hire, and keep talent? Think of the competitive advantage your dealership would have if it consistently had employees' heads (ideas), hearts (commitment), hands (physical work), and habits (consistency). Employee engagement and inclusion might make the difference.

# CED

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