

A CYGNUS PUBLICATION

YARD & GARDEN

□ Dealer Survival Guide □ volume 3

A supplement to Yard & Garden magazine

□ Employee Management
and Professionalism

□ Brought to you exclusively by

STIHL®

ARE YOU “RETAIL READY”?

That's the fundamental question servicing dealers must ask themselves if they expect to thrive in today's outdoor power equipment marketplace. Stocking the right brands and offering strong promotions now and again just won't cut it anymore. To prosper in today's outdoor power equipment industry, servicing dealers must continue to differentiate themselves from the competition. Nowadays, that means successfully competing against mass merchants and home centers, which offer a broad selection of outdoor power equipment under many different brand names, often at very attractive prices. It also means competing with companies that sell many of the same kinds of products as you, through different channels, such as mail order or the Internet.

For STIHL, dealer success is not a maybe; it's a must. Customers will not find STIHL merchandise at big box stores, and STIHL does not support online or mail order sales. We truly believe our customers greatly benefit from the extensive product knowledge and application training dealers provide. For that reason, STIHL, through its exclusive distributor and branch network, has launched a multi-faceted program to help you promote your greatest strength - personal, professional service - and bolster your competitive stance against home centers and Internet vendors.

Known as the STIHL Retail Readiness™ (SRR) program, this nationwide concept offers STIHL dealers an arsenal of powerful tools to assist with in-store merchandising, personnel and dealer business training, marketing communications, distributor sales support, and new media technologies. SRR is administered, customized and implemented through STIHL distributors and branch operations on behalf of independent servicing dealers.

Our goal is nothing less than to help prepare the servicing dealer for retailing in the future. With over 1,000 STIHL dealers on board since its inception in January, the SRR program has already helped these dealers grow their sales numbers and expand service with marketing tools they can use immediately. More specifically, STIHL has established exclusive business arrangements with three, well-known, industry experts: Jim Yount, for business development; Jim Pancero, for sales training; and Jim Riley, for retail communications. All of these gentlemen bring a specific expertise to the STIHL Retail Readiness™ program.

STIHL believes in dealer growth and prosperity and we see it everyday. That's why you continue to see us investing in tools such as this Dealer Survival Guide from Cygnus Publishing and the STIHL Retail Readiness program. We want to arm you with the tools, insights and information you need for future retail success. For that reason, I encourage you to speak with your STIHL Territory Manager about putting STIHL Retail Readiness to work for you. Show the competition what you're made of and get, “Retail Ready.”

Sincerely,



Fred J. Whyte
President
STIHL Incorporated



STIHL®

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Noël Brown, editor in chief

I am proud to introduce Volume 3 of *Yard & Garden's Dealer Survival Guide*. As the economic climate continues to change, a supplement called "Survival Guide" seems particularly timely.



We offer two important topics in this issue. First, employee management. I would say that more than any other single topic, dealers talk about the difficulties involved in not just finding and training good employees, but keeping them long-term, and managing them day-to-day. Just this week, a dealer said to me, "Sometimes, I feel like a glorified babysitter."

Anyone who's ever managed people before has felt this way at one time or another. And yet, properly managing a workforce and keeping them motivated is the single most important thing you do. Think about it. The front line people who have first contact with your customers; the team in the back who properly, efficiently repair the equipment; the ones who close sales; the ones who manage the books ... where would you be if these people weren't motivated and good at what they do? And that's a challenge any good owner deals with every day.

Second, professionalism. This is also an important topic that many dealers struggle with. The fact is, by doing everything you can to upgrade your professionalism internally (business systems) and externally (your public image), your odds for success and profitability soar.

In this issue, we've compiled a group of articles to help you in both arenas. Be sure to take a look. Please also take a moment to join me in recognizing Stihl, Inc. as the exclusive sponsor for Volume 3 of the *Yard & Garden Dealer Survival Guide*. Without their support, this volume would not be possible.

Recruiting the Best Team

Hiring tips that help you zero in on the people best suited for the job — and the business

By Noël Brown

One of the most important tasks you have is bringing the right employees into your business. The right employees will keep productivity high, keep customers happy and contribute to an enjoyable work environment. On the flipside, the wrong employees can quickly eat up profit through sloppy work, alienate customers and make coming to work a dreadful experience for the rest of the staff. "Finding the right people is my most important job. It is critical that we hire people with our values," says Tom Melohn of "The New Partnership."

If you take the time and effort to make full use of the interview process, you are much more likely to find an employee who will be an asset to your dealership and your team.

The job description

Author Tom Severance, in his book "The Business Start-up Guide," says it is important to write a job description for the position before you start looking for someone. The job description will serve you well on several levels. It provides you — and the employee — with a thorough outline of the tasks and expectations for the job. The job description also provides a guideline for future performance reviews.

If you take the time and effort to make full use of the interview process, you are much more likely to find an employee who will be an asset to your dealership.

Carefully think through everything you need in the job. According to Severance, the job description should include the following elements:

- A clear explanation of the job title
- Who the person reports to and works with
- Major duties and responsibilities
- Any special qualifications, requirements or conditions for the job

- What percentage of time the employee spends on each part of the job
- A prioritized list, clarifying the most important parts of the job

Once the job description is completed, determine the logistics for the hiring process. How many applicants do you want to interview? How do you want candidates to respond (phone call, letter, visit, etc.)? What is your salary range?

Putting the word out

Next, decide how you want to recruit candidates for the job. Word-of-mouth is a good way to start. "The best way to fill a position is with someone you already know or with someone you find through personal contacts," says Severance. Start by talking with your current employees to see if they know of anyone who might be good for the job. Melohn says, "If you're happy with your current co-workers, it's only logical to turn to them for referrals. People with the same values tend to associate with each other." He says to remind employees, though, that their names and reputations are etched on the back of anyone they might recommend. Ask employees, "Are they our kind of people?"

Most businesses then place a classified ad in the newspaper. Be careful with the wording of your ad; after all, it is a reflection of your company and your needs. Melohn recommends not using stereotyped phrases such as, "self starter," "highly motivated," "exceptional communication skills" and "challenging opportunities." Instead, give a genuine description of the job and the values you look for in an employee.

Melohn also recommends that you not include your dealership phone number in the ad. Instead, ask that they stop by to fill out an application or mail it in. You don't want people just calling to see what the pay is. Instead, you want them to see what else you have to offer. Melohn also recommends spending a little extra to get your ad to stand out, such as putting a border around the ad. He adds, "We always ask to be the first ad listed in our category, at the top of column."

Severance recommends putting the "help wanted" sign up. "It provides wide exposure to those who live near your business," he says. However, it does not screen the applicants, and may attract more walk-ins of unqualified people

Keeping the good ones

Finding good employees is one challenge; keeping them is another. *Entrepreneur Magazine Online* offers some advice in the article, "Hard to Hold: Conquer the Tight Labor Market by Retaining Valuable Workers," by Jacquelyn Lynn. "A successful employee retention program can reduce the effort you put into finding, screening, hiring and training new workers," says Lynn. Here are a few of the tips Lynn discusses in her article:

- **Hire the right people.** Take time during the hiring process to make wise decisions. Lynn points out that it is important to be candid about working conditions, responsibilities, opportunities and other details to reduce your chances of making hiring mistakes. Take extra measures to make sure the person is a good fit for your environment.

- **Offer a competitive salary and benefits package.** Lynn interviewed Dale Hageman, president of Accord Human Resources of Oklahoma City. He says to separate benefits into two tiers. The first tier is traditional benefits, such as insurance, retirement plans, paid vacations and holidays. The second tier includes the "extras," such as negotiating discounts with other local businesses (like child care providers, health clubs or banks). He says to be creative and come up with ways to help your employees save money and streamline their lives.

- **Provide an economic stake in the company.** Consider profit sharing, or at least give bonuses when the company does well. This will go a long way toward fostering ownership and loyalty in the company.

- **Communicate.** Let employees know what's happening with the company. According to Hageman,

"Communicate your vision for the company and the importance the employees play in helping fulfill that." Remember, communication is a two-way street: Listen to what your employees have to say.

- **Encourage creativity and innovation.** Create an atmosphere where employees feel comfortable making suggestions and trying new ideas.

- **Build a sense of camaraderie.** Provide opportunities for employees to bond with one another. In Lynn's article, Hageman suggests a combination of activities such as planned social events (company parties or picnics) and impromptu happenings (a surprise pizza lunch).

- **Reward individual and group performance.** Lynn says to recognize achievements with memos, mentions in staff meetings or notices on the bulletin board. Small, tangible rewards are also a good idea. "Hand out a \$20 bill to someone who did a good job," Hageman advises. "You can do other small things — provide movie tickets or gift certificates to a restaurant — they don't cost much but have a tremendously positive impact on your people."

- **Invest in training.** Training improves customer service and strengthens employee loyalty.

- **Remember that employees have lives outside the company.** It's not always realistic to expect employees to leave their individual problems at home. Employees encountering personal problems are still valuable, and it is important to be supportive and patient when they are going through a hard time.

than you can efficiently handle. Instead of a generic "help wanted" sign, use one that allows you to include the job title and brief description.

When looking for mechanics, local tech schools are another good place to check for young talent. Schools with small engine programs are sometimes a good bet to find both part-time interns and full-time recent graduates looking for a job in the field.

There are benefits to hiring someone with the right training but little on-the-job experience. "We prefer hiring a young person we can train ourselves," says Darwin Baker of Blue Valley Tractor in Stillwell, Kansas. "Sometimes, when they come from another dealership, they've already picked up bad habits or a work ethic that isn't suited for our business. We'd rather have them fresh."

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Using a personnel agency can be another route to find good candidates. The agencies do much of the preliminary legwork and screening for you. But be sure to check about all fees and costs up front. Some charge the employer, others charge the employee. "The company we use does all the screening for us," says David Hamilton of Hamilton Supply in Abilene, Texas. "It is no cost to us; they take a percentage of the new employee's pay. But if the employee works out, sometimes we'll reimburse him for those fees. It's worth it to us."

The interview

The interview is an excellent time to see not only if the candidate is qualified, but to get a feel for whether the person will be a good fit in your environment. It's an opportunity to observe not only what they say, but what they don't say as well. People give many non-verbal clues about the type of person they are. "I watch the way they walk, how they sit, how they move," says Baker. "I can learn a lot about whether they have ambition and what kind of work desires they may have."

Candidates give telling clues beyond the answers they provide in the interview. "You can tell things by their

"The best way to fill a position is with someone you already know or with someone you find through personal contacts."

— Tom Severance, author

responses," says Hamilton. "Not just by the answers they give, but by how they are phrased."

Remember, non-verbal cues go both ways. Here are some tips to making sure you are giving the right cues to candidates during the interview:

- Keep interviews to a specific time (30 minutes is a good length); always begin and end on time.
- Be prepared for the interview. Have your questions pre-written.

- Conduct the interview in a quiet atmosphere. Give it your full attention.
- Make the candidate feel comfortable. They will be more forthcoming with information if they are at ease.
- Ask open-ended questions (questions that can't be answered with a simple yes or no). Pay attention to the silences during an interview (are they using it to gather their thoughts, or are they just sitting there, waiting for your next cue?).
- Always be in control of the interview. Make sure the candidate does most of the talking. Use your listening skills.
- Always allow time for the candidate's questions.
- Be sure to show your enthusiasm for your company.
- Record your impressions immediately after the interview while they are fresh in your mind.
- Call references immediately, before the candidate has had a chance to tell them to expect your call.



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Training the Front Line

Could your sales team use a refresher course in selling techniques?

By Noël Brown

A major point of distinction for a servicing dealer is offering trained, knowledgeable personnel. We implore customers, "Why shop at a mass merchant where a high-school-aged part-timer is your salesperson when you can go to servicing dealer — with experienced product experts ready to serve you?"

Dealers and their employees devote a good portion of their time going to suppliers' service and update schools. They spend even more time reviewing the updates and new product literature that the mailman brings on a regular basis. And they spend even more time with their sleeves rolled up, taking apart products to know how to repair, maintain and set them up for the customer.

We know product!

"When we get a new product, we'll all get together, set it up and demo it. We take the time to go over the features and benefits, so we are all prepared to talk to a customer about it," says Jack Shalo of Jack's Small Engine in Rogers, Minnesota.

Other dealers take product updates and new techniques on a more individual basis. "I like to go over the new information with my people on a one-on-one basis," says David Hamilton of Hamilton Supply in Abilene, Texas. "I talk with each of the employees that need to know the information. If it is a technical update, I'll talk with my shop foreman, and then have him share the information with the mechanics."

"We not only spend a lot of time educating ourselves on the products we carry, but we also make sure we know about the competition's products, too," says Darwin Baker of Blue Valley Tractor in Stillwell, Kansas. "If the customer asks, 'Why is this product better than the competition?' we'd better be able to answer them."

Many dealers also spend time cross-training their employees. In a small business, everyone has to be prepared to pitch in where help is needed, whether it is on the sales floor, behind the parts counter, or even in the shop. "When we aren't busy, we'll bring a mechanic or salesperson up to the parts counter and have them learn the ropes, so when we need them, they can help," says Baker. "Our parts manager is awesome at what she does. And she is trained on the product too, so when we need help on the

floor, she knows enough to sell wholegoods as well."

Sales training?

It seems that whenever dealers talk about "training," they focus mainly on product and technical training. When asked about, for example, teaching new techniques on how to sell, one dealer says, "My salespeople have been selling for years. They know what they need to do there."

No doubt, some of the best salespeople in the world can be found in the showroom of an outdoor power equipment dealership. Yet, there are always new techniques to be learned, new ideas to court a customer, other ways to close a sale. New books, seminars and training courses come out every day on the topic of refining sales technique.

Without spending outlandish money and effort on learning every new technique, it is not a bad idea to occasionally bring in some new information that may lead to more sales, more productive salespeople and, ultimately,

In a small business, everyone has to be prepared to pitch in where help is needed, whether it is on the sales floor, behind the parts counter, or even in the shop.

more "shoppers" converted into "buyers." Everything in our industry is changing; the product, the way we bring it to market, the customers — not to mention their needs and desires — are all evolving. Shouldn't our sales techniques also evolve?

Two books we found that are short, easy to read and provide a lot of sales hints you can weave into your technique immediately are "No Thanks, I'm Just Looking!" by Harry J. Friedman and "Closing Strong" by Myers Barnes.

The odds are, a little sales training might help. While the sales process includes many steps (according to Barnes they are: prospecting, qualifying, demonstrating, overcoming objectives, closing and follow-up), much of the literature focuses on the different ways to close a sale. With

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The Ben Franklin Close

Myers Barnes teaches a number of different closing techniques that would be helpful to the outdoor power equipment salesperson in his book "Closing Strong." The Ben Franklin close is one of the oldest, and for good reason; it is one of the most powerful, because "it parallels how humans process information and think," says Barnes. "Whenever we are faced with a decision, we run through a check-and-balance system to weigh the pros and cons of the decision."

Barnes proposes this as the best approach to what he calls "the improved Ben Franklin" close:

- Take your pen and paper and, on one side of the paper, list all the reasons why the prospect should buy. Since you know the product benefits and the customer's needs, you should be able to think up quite a list.
- Barnes says to then make a "summary" close, restating all the positive reasons for owning. End it by saying, "It certainly seems as if there are a number of good reasons for going forward, doesn't it?" Then wait for a reply.
- Next, hand the prospect the paper and pen and ask if they can think of any reasons NOT to buy. "The key now is to remain perfectly silent and let them work on it by themselves," says Barnes. He asserts that most prospects will be able to think of, at most, three or four reasons not to buy.
- Barnes says to then move into the "assumptive" close by saying, "Looks like you have made the right decision to buy."

In his book, Barnes recommends you not limit yourself to using the Ben Franklin close only at the end of your sale. It is quite effective in helping the prospect determine his needs. It is also a powerful tool in helping the customer do what he wants to do during the decision-making process: move beyond the emotional to a process of logic.

good reason. According to a survey reported in Friedman's book, 20% of the time customers say, "I'll take it" on their own. Another 20% of the time the salesperson asks for the sale. The remaining 60% of the time no attempt is made to close the sale.

Barnes' book also shows compelling results in another study done by Dr. Herb True at Notre Dame University. He says that 46% surveyed asked for the sale only once before giving up; 24% asked twice; 14% asked three times; 12% asked four. In other words, 96% of the salespeople interviewed gave up in four tries or less. "What's startling is the same research indicates that 60% of all sales occur after the fifth attempt of asking for the order," says Barnes.

Barnes reinforces the importance of knowing multiple closing techniques. "Look at it this way: If you receive more objections than you have techniques, you will not get very far."

He explains in detail 13 ways to close: the "order form" close, the "I want to think about it" close, the "invitational" close, the "hot button" close, the "assumptive" close, the "alternatives" close, the "trial" close, the "Ben Franklin" close, the "puppy dog" close, the "sharp angle" close, the "minor point" close, the "yes momentum" close and the "referral prospecting" close. How many of these are your salespeople aware of?

Outdoor power equipment salespeople do a lot of things right. Barnes says, "A sale is emotional, and to peak emotional responses, you must let the prospect see, touch, feel, smell and hear the benefits of your product. That's why it's imperative, whenever possible, to place your product in the hands of the prospect so he can experience, first hand, the emotional values."

Most dealers drive this point home with equipment demos. But what else can your team do to turn more prospects into purchasers? **YG**

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Cultivating Your Biggest Asset: Your Employees

*Do you know the difference between
training and development?*

By Don Hutson, CSP, and George H. Lucas, Ph.D.

Why is it that business owners tend to cherish their physical assets greatly but take human assets for granted? Why are so many equipment dealers more concerned about whether they have the latest and greatest equipment lift than whether their employees' skills have become obsolete in today's dynamic marketplace?

An organization can only go as far as its people are capable of taking it. No matter how great the leader, he/she needs a capable team to lead. And being a great leader is dependent on a commitment to team-member skill development.

The roles of training and development

Often, without really thinking about it, managers use the terms training and development interchangeably. The result is that neither of these two critical functions are appropriately addressed.

Training is the activity of bringing a new employee's skill and knowledge level up to the point where he can function effectively on his own. At this stage, skills have been demonstrated at acceptable proficiency.

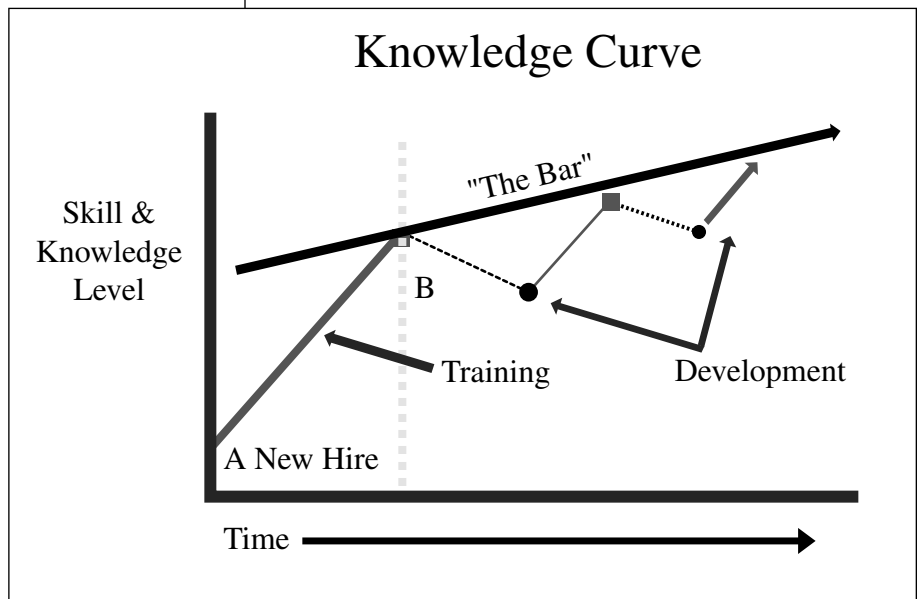
Development, on the other hand, is an ongoing process of keeping employees' skill levels consistent with the requirements of top performance in their job.

The "Knowledge Curve" graph on this page shows how training and development interact. The top straight line (the bar) represents the level of knowledge and skills required to perform any job in a superior fashion. Notice how the bar has an upward slope. Over time, employees' skills must constantly increase. Knowledge is building at a rapid rate. And fierce competition and growing customer expectations in every marketplace are constantly "raising the bar."

Point A in the graph indicates a new employee hire. This employee will bring with him a certain level of skill

and knowledge. In every instance this level will be below the level required for superior performance. From point A to point B, the new employee trains to correct any skill and knowledge deficiencies. This time period from A to B may be tracked in hours, days, weeks or months, depending on the person, the organization and the tasks.

An employee who has worked for your dealership in the past, or who has just left a competitor, would usually need less training than someone never exposed to outdoor power equipment retailing. Knowledge gaps that need to be



addressed would fall into the following categories:

- Company knowledge (culture, policies, procedures, strategy, benefits programs, etc.)
- Product knowledge (features, advantages, potential benefits, location and availability)
- Customer knowledge (types of consumers at your dealership, their needs)
- Competitor knowledge (other similar stores, their strengths and weaknesses stacked up against yours)

From point B, moving to the right on the graph, the employee is engaged in development. This line resembles a saw tooth. Unfortunately, employees' skills will drop off over time. Unused skills will deteriorate, and selective forgetting will set in — all while

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the bar is rising. The example in this graphic shows a progressive organization that's regularly fighting obsolescence in its employees.

Without development, skills and knowledge may decay until the person becomes unproductive, leaves due to stress or is terminated for bad performance. Increasingly, as prospective employees evaluate new opportunities, they are looking for organizations committed to getting their people to the bar with training, and keeping them there with ongoing development.

Communicating knowledge and skills

There are a variety of approaches you can take to train a new employee. Unfortunately, the most common is probably the least effective: on-the-job training (OJT). In reality, this is more appropriately cast as NO JT, or no job training. This is a sink or swim approach. Your customers and prospects are too valuable to subject them to poorly trained people.

We frequently hear that a business can't afford to train people because its turnover is too high. But they are con-

Often, managers use the terms training and development interchangeably. The result is that neither of these two critical functions are appropriately addressed.

fusing cause and effect; the turnover is so high because the business is failing to invest in people.

Model training is another option. With this approach, the manager simply tells the new employee (Bill) to watch what another employee (Sally) does. This sounds reasonable. But Sally is not a trainer. And while her overall performance is good, not everything she does is consistent with "the bar." Furthermore, Bill hates to stop Sally to ask questions. And Sally has a lot to do so she fails to check his understanding. Model training can be fine for one spe-

cific skill, but is often overused.

One-on-one coaching can be a strong approach for some aspects of training, and it should be a key component of development. Here, the manager/owner engages in private conversations with the employee to discuss his feeling of progress, and the coach's observations. These coaching sessions should not replace a training program. Instead, they should be part of a training program.

Regular interaction of this type must be a part of the development effort to reinforce progress and identify significant departures from the bar.

For organizations with a large number of employees, classroom sessions can communicate a large amount of information to many people in a short period. Such sessions may use people from inside the company, an outside training organization (such as U.S. Learning), or some combination of both. It's important that the classroom sessions have both material presentation and discussion components that allow the participants to clarify information and share their ideas.

For sales or other interpersonal skills topics, it's a good idea to include role-play by setting up situations and letting participants try out their new skills. It's important that these role-plays have a realistic flavor to them, and that both positive and constructive feedback follow.

Classroom sessions can be effective as both training and development activities. The challenge here is to not let people go back to the old way of doing things when the class is over. There is also the problem of the employee who was hired just after the classroom session, and misses out on the opportunity. This timing issue, plus what can be perceived to be high out-of-pocket costs, may limit classroom training's role for small and moderate-sized dealers.

Another issue is finding the time to develop and coordinate/deliver such a session. Good classroom programming requires a time commitment on the manager's part that must be protected, and assessed in terms of impact.

A growing number of businesses in different industries are looking to video/audio self-paced programming. This approach can provide a high-impact material presentation that isn't "perishable" like other forms of event training.

The long-life approach allows for multiple exposures for new hires to focus on a specific topic. It also can foster development efforts as managers direct experienced employees to specific programs to reinforce deficient areas identified during coaching sessions.

The employee hired after a session is not a problem. The material is always available for anyone. At U.S. Learning, we recommend that audio soundtracks accompany the video programs. Then, employees can listen to the tapes while they drive to work.

Video/audio self-paced programs come in two forms. First are the off-the-shelf programs. These professionally produced programs can bring good

Without development, skills and knowledge may decay until the person becomes unproductive, leaves due to stress or is terminated for bad performance.

information to your people.

Their biggest weakness is that they are generic in nature. As they discuss issues for sales and other positions, they require your employees to make the translation to the products you sell. Some people struggle with making such generic material suit their own situations.

The second form of programs are customized programs that are filmed and edited to meet the needs of a specific organization. These programs tend to be high-impact. But costs per program for all but the largest organizations can be prohibitive.

Whatever approach you take to advance your training and development efforts, the key is to continuously support learning in your organization through development. It's critical that you help those around you focus on improving their skills and knowledge.

Survival into the next century will depend on how close your employees stay to "the bar." The atmosphere that's created at your dealership must be that it's OK to not know

all the answers and make mistakes — but it's totally unacceptable not to want to learn and get better.



U.S. Learning is a training, speaking and consulting organization headquartered in Memphis, Tennessee. For more information about U.S. Learning, call (800) 647-9166.

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Working Hard to Get Hard Workers

*Prospective employees' expectations are rising —
what can you do to meet them?*

By Noël Brown

The unemployment rate. It's a double-edged sword. When it's low, more people are working, so they have more disposable income, which they are more likely to spend at an outdoor power equipment dealership than they would if jobs were few and money was tight. But that same low rate also works against the power equipment dealer, because it's tougher than ever to find good people to work for you.

It's not just the power equipment business, either. There are workforce issues in every industry, particularly service-related businesses. People don't just want a job. It's gone way beyond looking for job security, decent pay and a pleasant working environment. The bar keeps rising; much like the ever-rising customer expectations, employees are looking for a lot more out of the workplace, too.

You want what?

The bar keeps rising; much like the ever-rising customer expectations, employees are looking for a lot more out of the workplace, too.

Compensation packages often go far beyond insurance and vacation. Employees want perks. Retirement plans. 401(k). Profit sharing. Stock options. Signing bonuses. Incentive plans. Guaranteed raises. Comp time. Flex time. Heck, now you even hear about "bennys" like weekly workplace massages and free gourmet lunches. What's going on?

According to an *Inc.* magazine article called "The Appeasement Trap" (by Christopher Caggiano in the September 2000 issue, page 39), there is a major shift in worker attitudes taking place, because the days of having one career until you retire are long gone. The article states that, "all the downsizing in the 1980s and 1990s marked the beginnings of the sea change. Corporations violated the notion of a safety net and demolished the concept of employment for life. Enter a sadder-but-wiser, market-driv-

en workforce, who heeded the message that they needed to look out for themselves."

In the article, several owners of small businesses talked about how difficult it is for them to compete with all the glitz and the perks large companies can afford to hand down to employees. One business owner said, "I'm too small to afford that. And I don't want to set the precedent of keeping up with every single thing another company offers. Those are hard dollar costs that rarely pay off."

Courting prospective employees

When we talk about the power equipment dealer industry, we must back up a few steps. There are many dealers who still don't offer the basics like health insurance or paid vacations, much less the loftier compensation items. Many dealers say they can't afford much more than minimum wage ... so how are they going to turn an prospective employee's head and woo them to work at "Joe's Saw Shop"?

That's a good question. Things are slowly changing as dealers make the much-needed changes to compete at many different levels in the market today. But there's still a long way to go, and even then, there are financial limitations to what can be offered. What hope does a small-business owner have of getting the right people, without nearly handing over the keys to the business?

Inc. magazine's article talks about what the small independent business can offer workers today. Consider that employee loyalty isn't dead, it's just been refocused. Employees will push themselves harder and stay longer when they have something to believe in.

"To be successful, companies must focus on giving employees something to be devoted to," it says in the article. Allen A. Kennedy, author of "The End of Shareholder Value" (Perseus, 2000), offers his advice in the *Inc.* article. "Companies have to take a long-term view about investigating and creating an environment that attracts and keeps employees," says Kennedy. Yes, some of that can be achieved by offering free lunches and weekly massages, but, Kennedy says, "The heart of it comes from the attitude employers have toward employees. That means listening to them, paying attention to their needs, treating them as long-term assets."

Creating an environment for retention

Technician shortage is turning heads

It's become such an issue that people outside of the industry are taking notice. A big article on the front page of the *Chicago Tribune*, "Mechanic gap puts mowers in lawn line" (Saturday, August 5, 2000), talked about the painful shortage of small-engine technicians. The general public starts taking notice when it takes a month to get their mowers fixed.

The article was well-written, and may just have done our industry some good. The author (Virginia Groark) started out by talking about the problem from a consumer's point of view (dealers everywhere in the Chicago area have an extreme backlog). But then she gets into the real problem ... there just aren't many young people entering the workforce who want to be small engine technicians. Why is that? She talked with Virgil Russell and Mark Redmond from the Equipment and Engine Training Council (EETC) about the bigger issues. They both represented our industry's current strife very well.

Groark points out how fewer secondary schools offer classes in the subject. Russell then points out that parents and guidance counselors are a source of the problem, because they are not encouraging young people to enter the field. Redmond also blamed the poor "grease monkey" image our industry still holds. But they are quick to point out the many good reasons to get into the field, including the 90% job placement rate.


"Redmond and others contend the small engine equipment field is ripe with opportunities, especially for someone with entrepreneurial spirit. An outdoor power equipment store can be started without having to invest as much capital as, say, an automotive repair shop."

Many dealers are good at making sure employees feel valued. I can't tell you how often I talk to different employees during my dealership visits and hear them describe their treatment as "just like family" or simply, "I know how much I'm needed here. They really appreciate me."

Dealers, however, are notorious for wanting their hand — and their decision-making power — in every aspect of the business. Second-guessing every decision, and holding back personal empowerment and growth potential, does not give employees a feeling of trust or long-term potential in the company. While it may seem contrary to the reasons you went into business for yourself in the first place, you will be showing your faith in the person and the business if you set up a policy of training them well and then letting them "do their thing."

In the *Inc.* article, Caggiano states, "Bear in mind that no strategy stands alone. Rather, each rests within a larger framework of building a long-term productive workplace. When it comes to designing a desirable place for people to work, you're not looking for short-term solutions. You're building a culture of retention."

That goes for whether you have one employee or 50. Dealers are masters at "putting out fires" and coming up with decisions and solutions that repair the situation of the moment. But what have you done to build a long-term set of strategies and policies? Doing so would not only provide something tangible for employees to act on and believe in, it will make running the business a lot easier for you in the long run, as well.

For help on conveying the right attitudes and creating the right environment for your employees, see "The Foundation of Employee Retention," on page 14. 

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The Foundation of Employee Retention

By David J. Forrest, Ph.D.

One of the foundation stones of companies which attract, retain and motivate high-performing employees is a positive and valuing attitude toward them. In this era, it is all too easy for management to see employees as expendable resources to be hired and fired at will according to the current short-term business plan. A cynicism can creep into a workforce which undermines its efforts, and this can cause employees to look for work elsewhere when opportunity arises.

Many companies trumpet the slogan, "People are our most important asset." This is admirable, but it takes hard, consistent work in policies, statements and actions for those people to believe it. Similarly, many companies post eloquent "values" statements which mention people, teamwork, integrity, respect, dignity, etc. Again, these fine items must be backed up in practice to be believed.

Small companies are not immune to a less-than-positive attitude toward their employees, especially if they have been plodding along just trying to survive in a fast-changing world. The loyalty that some employers proudly proclaim is simply inertia. When the labor market is tight, this is a weak glue for retaining employees.

The elements of a corporate positive attitude toward employees are not random or mystical. A company can consciously transform itself through purposeful study and application of some basic principles.

1. Make them feel valued

Employees need to feel they are appreciated, valued and trusted. This is not family; this is not about love or friendship. It is about respecting people and their contributions to the company effort. This principle implies competence.

2. Provide continual development

The second principle is development. In business, a critical component of trust is competence. The whole organization needs each person to be really good at what they do. Few people start out that way. Employees who participate in their own growth and development plans are going to stick around because they know their company wants more for them.

3. Give them more responsibility

Next is growth in responsibility. Most people want to grow, and to feel more competent and more responsible, at any level. A good manager, and therefore a good company, helps people manage themselves by consistently focusing on performance and results. The manager teaches the employees what they are good at, what else they need to

know and how to get it. As they grow they receive higher levels of responsibility and accountability. This attitude also encourages innovation and creativity.

4. Good relationship with manager/supervisor


As the principle above implies, the fourth principle is a good relationship with the manager/supervisor. All research shows that this relationship is critical to employee success and satisfaction, and therefore to retention. It makes sense in that the direct boss is the richest interface and the most important source of feedback. The supervisor reflects, for better or worse, the company's attitudes toward the employee.

5. Success leads to retention

The fifth principle is success. The other four lead to it. The valued and successful employee stays. Success is the aphrodisiac of employee retention. This implies, of course, that the work is meaningful to the corporate enterprise. People are not fools, and success cannot be showered upon someone recklessly. Success is obvious, and it is also contagious. The strong employer rewards employees for helping to make others successful also.

As stated above, these principles are neither magical or mystical. They are bedrock to an employer attitude to making its employees the best they can be within the objectives of the company. They comprise a commitment to people, who are not, like technology, tools. People make it work.

These principles apply to any size company. Small companies and family-owned businesses are especially fertile ground for highlighting a valuing attitude toward employees. Typically, they can introduce change more easily (rapidly), and their employees can more readily see and identify with management attitudes.

The tone for a company is set at the top. A workforce cannot long be fooled. When the tone is cynical, a cancer eats away at potential strength. Where the tone is positive and embracing toward employees, power and a can-do spirit arise. 

David J. Forrest is a consultant in leadership coaching, management development and employee retention. For more information, contact Keep Employees inc. (KEi) via phone at (888) 458-1885, e-mail to info@keepemployees.com or visit www.keepemployees.com on the Worldwide Web.

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Hiring the Right People

Interviewing techniques that help you make wise hiring decisions

By Gregg Wartgow

Finding good help is hard these days. Is it because the talent pool is so thin? Or is it because small-business owners don't know what it is they're looking for in an employee? If they do know what they're looking for, do they know how to make sure the person they are interviewing has it?

More than likely, it's a combination of all these factors. While you can't control the talent pool in your market, you can control the other two factors. All it takes is a little planning.

Know what you want to hire

"If employers don't know what they're looking for, they'll never know if they hired the right person," human resources expert Mel Kleiman says.

"The most important thing you take to the grocery store, besides money, is a list. If you don't take a list, you end up buying things you don't need, forgetting the things you do need, and wasting a lot of time and money. The same holds true for the hiring process. If you don't have a list of the traits you want your next employee to have, you'll likely have the same problems you would in a grocery store."

Preparing for the interview

When it comes to interviewing a potential employee, perhaps the biggest mistake an employer can make is not being prepared. So create a plan for the interview. A plan shows the applicant that you take hiring seriously. It also relaxes the atmosphere because there's a casual structure to what's going on.

A plan will also help you obtain more accurate information. Make a list of questions so you don't forget anything. The list also ensures you ask each applicant the same questions. Then, when deciding who to hire, you can compare strengths and weaknesses more accurately.

Getting control of the interview — positioning

A common problem all interviewers have is that the person they are interviewing often answers questions by telling the interviewer what he wants to hear. Kleiman says a technique called positioning helps the interviewer get honest answers from the applicant.

"When positioning, the interviewer sets the ground rules for the interview," Kleiman says. "This puts you in control, not the applicant. As a result, the applicant is more likely to answer questions truthfully."

When positioning, there are three things you want to do:

- Gather information from the applicant.
- Tell the applicant more about the job and company.
- Answer any questions the applicant may have.

Before you start the interview, tell the applicant that the most important thing in your dealership is being honest and truthful.

Kleiman says you can tell the applicant, "I'm going to be truthful about the job requirements, expectations, hours, pay, the entire job. I need you to be honest with me, too. It doesn't matter if you've been fired or asked to resign from a company before. It doesn't matter if you've had a drug problem. You just need to tell me so I can take it into consideration. If you don't tell me, and I find out later when doing a background check, I'll have to pass up on the notion of hiring you. If I've already hired you, I'm going to have to fire you. Honesty is very important here."

Kleiman adds that you have to make the applicant feel comfortable. Make them feel relaxed by creating a structure to the interview. If you just try to "wing it," you create a sense of uncertainty since the applicant won't know what's coming next. That can lead to an uncomfortable interview.

Interview questions

Kleiman says the most important interview question you ever ask is, "What was the first job you ever got paid for like?" According to Kleiman, it's one of the most reliable questions you can ask.

"You find out where the applicant came from," Kleiman explains. "Who they are now is what they were then. For example, one applicant went to work at the burger joint to flip burgers. Another applicant went to work at the burger joint to take care of the customers. Which applicant do you want to hire?"

Another good question is to ask the applicant how a former employer would rank them in certain objective areas such as creativity or organizational skills. Then ask for examples of things they'd done that would lead their former employer to give them that ranking.

Kleiman says this question accomplishes two things.

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One, the applicant will answer truthfully, since he knows you could easily call that former employee to verify. Secondly, having the applicant provide the ranking helps when you do call the former employee to verify.

Kleiman explains, "When you call an applicant's past employer, he often won't provide you with new information. But he will confirm information you already have. You can now tell this former employer, 'John Doe said you'd rank him a 4 out of 5 on creativity. Would you say this is accurate?' If they still won't confirm you can say, 'The reason Doe thought you'd rank them a 4 is because'"

Questions like these put you in control of the interview. They also help you obtain the useful information you need to make the right hiring decision.

Check yourself: the most important questions

Kleiman says, before you ask an applicant any of these questions ask yourself:

- Can we do this job another way?
- Would I work for myself?
- Why would anyone want to work for me?
- When I hire the right person, what do I plan to do to make sure that person is successful on the job?



This article is based on the book "267 Hire Tough: Proven Interview Questions for Hiring the Best Hourly Employees," by Mel Kleiman. Visit www.hiretough.com for information on this and other books from the Hire Tough Group.

Kleiman is a managing partner of the Hire Tough Group and an internationally recognized authority on employee recruiting, selection and retention.

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Identifying attitudes

From the book "267 Hire Tough: Proven Interview Questions for Hiring the Best Hourly Employees," here are some effective questions for detecting certain attitudes.

Kleiman says that more than 75% of terminated employees fail not because they couldn't do the job, but because they wouldn't. They had attitude problems, and the best way to avoid an attitude problem is not to hire it in the first place.

1. What do you look for in a job?
2. What is most important to you in a job?
3. If you could do anything you wanted, what kind of job would you like?
4. In working to achieve a difficult goal, do you derive more pleasure and satisfaction from the activity of pursuing the goal or from the achievement of the goal itself?
5. When you complete a difficult task or assignment, what types of recognition do you expect to receive?
6. What kinds of tasks would you prefer not to do, or refuse to do?
7. What does it take to be a safe worker?
8. Would you like to work any overtime? How many overtime hours a week would be ideal?
9. What do you think you will like most about this job? Why? Least? Why?
10. What do you think will be the hardest part of this job? Why? Easiest? Why?
11. On a scale of 1-10, where 1 is low and 10 is high, how would you rate your probability for successful performance in this profession? Why?
12. What specific abilities would you bring to the job that should prove helpful? Why?
13. What specific abilities do you lack that are required for successful performance of this position? Do you consider these critical? Why or why not?
14. With which aspects of the position do you feel most comfortable? Why? Least? Why?
15. What do you think is likely to make the difference between success and failure in this position?
16. Are you able to perform the essential functions of this job with(out) reasonable accommodation?
17. Tell me about a time you had a conflict with your boss. What was the conflict? How did you handle it?
18. What would you do if there was evidence your boss was stealing company property?
19. What would you do if there was a crisis at work and they needed you, but you were scheduled for time off?
20. What would you do if it was your day off and we called and needed you to come in?
21. In what type of position are you most interested?
22. In your opinion, how much do you think a job like this should pay?

Grow Techs Into Your Business

Recruit students at a younger age.

By Gregg Wartgow

The industry has been saying there aren't enough technicians. Dealers are begging for some direction on where to find them. Nobody seems to have the answer, not even Mark Redmond, vice president of Ohio Technical College. "If I knew the answer, I'd be a million-dollar consultant," he says.

Dealers need to be doing whatever they can to "grow" technicians into their businesses. The first step is getting affiliated with high schools and local technical colleges. Redmond says many dealers are more than willing to bang on the tech school's door once or twice a year asking for a technician. But they need to be doing more than that. They need to be planting seeds.

"The more kids see the dealers who need technicians the most, the more likely they'll envision themselves working for those dealers," Redmond explains.

Target 9th and 10th graders

Dealers need to target 9th and 10th graders who are deciding what career they want to go into. However, dealers tend to target 12th graders who are ready to graduate and have already chosen their career fields.

"The best way to get your message to kids is through their high school guidance counselor," Redmond points out. "Explain the opportunities in this field so more kids will be steered toward OPE programs at tech schools."

Events such as Career Days, a mini-trade show where 9th and 10th graders can learn about the different programs offered at technical colleges, are a great time to talk with students. To have even more impact on them, see if some of your suppliers can send a representative along with you.

Persuading students

When a high schooler comes up to your booth at Career Days, what do you say to get him interested in this field? "The main thing we tell them is that they can fulfill the American dream, be an entrepreneur, and drive the business through technical repairs," Redmond says.

"We also point out how dealers are really diversifying, so their technicians need to be able to work on many different things. A tech school's outdoor power equipment program diversifies to a dealer's needs. The graduate walking out of an outdoor power equipment program can work

Manufacturers' role

Manufacturers play an important role in attracting and educating technicians. Here's a brief list of some of the things manufacturers can do, and in some cases, are already doing.

- Donate equipment and training materials to schools
- Donate money and time to associations such as the EETC
- Join the EETC and attend meetings
- Invite votech teachers to participate in factory training
- Sponsor scholarships, awards, etc.

on anything from snowmobiles to jet skis to lawn mowers — anything the dealer can put on his dealership floor."

Showing students the latest technology is another way to get them interested in the outdoor power equipment industry. Redmond says this is where manufacturers play an important role. A few companies have made a habit of donating equipment to schools, which has been a big help.

Certified professionals

Redmond says a lot of people are now jumping on the Equipment Engine and Training Council bandwagon. "We view the EETC as an avenue to grow the industry by offering certification," Redmond says. "You could always get a credential as an auto tech or diesel tech through the Society of Automotive Engineers (SAE). Until the EETC formed a few years ago, there was never any certification for an outdoor power equipment technician. Subsequently, low wages and a lack of benefits hardly attracted many people to this industry. Now, that's changing."

If a dealer wants to hire a tech school graduate that's OPE-certified, the cream of the crop, it's not uncommon for that dealer to pick up that graduate's student loan payments. "This can be a good investment for dealers because it helps hire a certified technician and keep him at your dealership for quite awhile," Redmond says.

Colleges are also pushing the importance of certification. Some colleges, like Ohio Technical College, reimburse students for test fees

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It's so hard to find good help

There is new hope for the industry's lack of qualified technicians. The EETC has its biggest membership numbers to date, a new leader, a new logo, substantial donations from manufacturers and a plan to funnel more qualified technicians into the pipeline and better educate the ones already there.

EETC founder Virgil Russell retired earlier this year, handing over the reigns to new Executive Director Jim Roche. Roche's enthusiasm and industry experience has contributed to the "snowball effect" taking place with the EETC initiative.

Probably the biggest contributing factor to the EETC's growth is the contributions by manufacturers who have so generously donated to the cause. EETC's President's Club includes: Briggs & Stratton, Exmark, Honda, Hydro-Gear, MTD, Shindaiwa, Simplicity and Stihl.

In April 2001, at the fifth annual EETC meeting in Virginia Beach, Virginia, one of EETC's top supporters introduced one of the biggest donations yet. Keynote speaker and Stihl President Fred Whyte unveiled a new program to help make accreditation more attractive to prospective training schools, as well as facilitate better training to students looking to become technicians.

The new program, Stihl PowerStart, includes a package of equipment, tools, training aids, and a national posting of OPE-certified graduates for dealer employment opportunities.

"We believe strongly in delivering immediate support

to the institutions that train outdoor power equipment technicians," says Whyte.

"Stihl PowerStart is designed to be a tangible benefit for schools to receive upon accreditation — something to put in their hand that will help them take the first step to implementing the EETC program."

The company will provide Stihl power heads (engines) for hands-on student experience; service manuals on microfiche and in printed form; regularly scheduled specification updates; signage, point-of-purchase collateral, training videos and other teaching aids; and special tools for repair work on the power heads.

Find the techs looking for jobs

Another major benefit of the program is a method for students to market themselves. A listing of recent graduates from EETC accredited schools will be posted on the Internet, and periodically printed and mailed to participating schools and outdoor power equipment dealers. The listing puts the names of certified graduates within easy reach of power equipment dealers with prospective employment opportunities.

"EETC is the one group in our industry that has a single, focused goal and common desire to bring young people into our industry with the proper technical skills as well as improve upon the skills of our colleagues already in the industry," says Whyte.

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up to one year after graduation.

Ohio Technical College is one school that is presently certified. For a complete list of certified schools, along with those schools being considered for certification, visit the EETC website at www.eetc.org.

VICA: another source for talent

"You can find some of the best techs in the country through the Vocational Industrial Clubs of America (VICA)," Redmond says. "These groups feature the best students in each state who compete against each other. They're the best students and the best candidates for jobs."

Redmond says dealers should spare their top mechanics or even themselves from time to time so they can serve as judges at these contests at the state or regional level.

It's all about being proactive. By getting involved with schools and their younger students, you'll be planting the

seeds to grow technicians into your business.



You can contact the EETC at (262) 367-6700, or by e-mail at rjr10@worldnet.att.net.

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Defining Professionalism

Dealers relate their perceptions, intentions and conclusions on the topic of professionalism.

By Noël Brown

How do you define “professionalism”? Dealers interviewed for this story had a lot to say on the matter. Professionalism is image. Appearance. Attitude. The way you treat customers. Pride in your profession. Expertise in product. Whatever their answers, all dealers implied it was a package deal: a combination of elements done well, all wrapped up in a box called professionalism.

“If you’re going to sell Cadillacs, you’d better have a Cadillac showroom,” says Roger Zerkle of ZDE in Flat Rock, Illinois. “If you’re selling Kubota tractors in a dimly lit dealership with a dirt floor, no one will beat a path to your door.”

“First impressions are priceless,” says Mike Carver of Carver’s Westside Power Equipment in Springfield, Illinois. “From the moment they drive up, customers know we are a professional establishment.”

These same dealers had as much to say — if not more — on what is NOT professional. Putting down the competition. Lowballing. Ignorance of product and features. Selling only on price. And fulfilling the old perception of a dealership, including a disorganized showroom, a bad selection and a lack of cleanliness — on product, on the countertop, on the personnel.

“Our industry seems like a piranha pool out there, everyone undercutting each other,” says Dave Antram of Ariens Gravelly Tractor Equipment in Somerset, Pennsylvania. “Dealers need to know that we’ll only hurt ourselves if we do that.”

“I have a good relationship with my fellow dealers. We all realize there are good years and bad years for product. We’re competitive, but we recognize that we shouldn’t tear down the other person. You’ll get a reputation if you start doing that,” says Antram.

“Dealers are putting themselves out of business,” says Don Bohls of Buckeye Power Sales in Columbus, Ohio. “They do the industry a disservice by lowballing just to make floor plan and viewing each other as competition. Dealers who want to succeed better look down the road and realize who are allies and who are competitors.”

Features and benefits

Independent dealers, in general, highlight as a point of distinction their product expertise. Yet, several dealers

voice a disappointment in their peers for not knowing — or at least not selling — the detailed features and benefits of the products they offer.

“As dealers, we should know equipment from one end to the other,” says Kurt Waldschmidt of Town & Country Mart in Menomonee Falls, Wisconsin. “We need to describe ALL the features and why they are beneficial — not just horsepower, deck size and price.”

“First impressions are priceless. From the moment they drive up, customers know we are a professional establishment.”

— Mike Carver, dealer

Hand in hand with knowing features is matching them to customer needs. Customers often walk in with a model or a size in mind which has nothing to do with what they actually need. It can be tempting to make the easy sale.

“Sometimes the customer walks in primed to buy a particular unit,” says Antram. “The checkbook is coming out. You can see it in their eyes. You think, ‘It’s going to be a Red Lobster night.’ But you know this probably isn’t the right piece of equipment for them. So you have to tell them that it’s not really what they need. That may result in a lesser sale, or even no sale. But that’s the only way to do it. They remember you for that.”

“Customers do more research now, so they pick a product they think will be best, then go after the low price on that product,” says Waldschmidt. “Some dealers jump at the chance and throw a lowball price just to get the sale, instead of determining what product the customer actually needs.”

Perception is reality — or is it?

Much of the image side of professionalism is defined by customer perception. Some dealers don’t feel customers have the old prejudice that independent retailers are dirty, dim, intimidating stores.

“Customers don’t think that anymore,” says Fred

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Lennox of Harbor Saw & Supply in Aberdeen, Washington. "Our industry is much better about advertising and marketing what we've got for the customer. Our professionalism is much more evident. Most of us have nice, clean shops. We're much more sophisticated than we once were."

Other dealers think there is still work to do to make their establishments fit customer perceptions of the ideal place to shop for outdoor power equipment.

"Customers have what I call the 'Walmart mentality.' They expect to see bulging shelves, product is 10 deep and 10 high and they think, 'Wow, lots of inventory, lots of variety. They must be successful,'" says Antram.

Bohls relates that Buckeye Power Sales was a servicing distributor for years before becoming a dealer. Serving dealers, he observed the market shifting. "I've called on dealers for years. I saw a big change. I watched the customers move toward mass merchants. If dealers would take a good look at the mass merchants, they could adopt some of their strategies and go to the market as a dealer should. They could be more successful."

If it ain't broke it may still need fixing

It stands to reason that dealers have come a long way in the area of professionalism. But there are still a few out there who think their way of doing business has worked thus far, so there's no reason to change.

"There are a few dealers that don't feel the market dictates change for them," says Antram. "We can all think of a dealer somewhere that lives up to the old standard. But there are different influences with customers nowadays. For instance, there are more women making outdoor power equipment purchases. They need to feel comfortable shopping."

Antram relates a story of a manufacturer's rep who exhibits the old double standard. "A couple comes in, and the rep tries to sell the husband. He ignores the wife. It's a bad assumption that Mr. Jones buys and uses everything. It's just as likely Mrs. Jones will be mowing the lawn."

Antram concludes, "There are forces at work in the market putting an end to the old way of thinking."

Dealers have one word for suppliers: Help!


Everyone, manufacturers and distributors included, advise, wish, even demand that dealers take it up a notch in the area of professionalism. Dealers working hard in that area have some wishes of their own for suppliers.

First, dealers look to their suppliers for advice and expertise on product and even marketing. Bohls says, "When we became a new dealer, one company said, 'Order 20 tractors.' So we did. But then it was up to us to sell those 20 tractors. It's important that they train us on the product, help us set up. Even though we're big, we need help getting started in the new market. Teach us features. Tell us about competitive product and how to address it."

Some dealers also talk about how hard it can be to strive for professionalism with tighter competitive pressures and shrinking margins.

As it becomes tougher to make a profit, it will become tougher to make improvements in your businesses. "Dealers need to be both successful and profitable," says Bohls. "Once we achieve that, we need to keep reinvesting in our own businesses to take advantages of opportunities for growth."

Warranty rates also become an issue when discussing professionalism. Says Waldschmidt, "We want to hire people who are trained professionals and do a professional job. But the warranty rates keep our wages down, and we have a hard time attracting the right people."

"The service department is the one area where we have mass merchants beat," says Bohls. "Dealers should be handsomely rewarded for that service." 

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Making Strides In Professionalism

Knowing how dealers feel about what isn't professional, we pose the question, what do you do to achieve professionalism in your dealership?

Professionalism is a broad term. Its definitions are kind of like snowflakes: no two are alike. But dealers seem to agree on a few basic actions that drive them on the path toward professionalism.

The golden rule

According to dealers, it seems to start with a very basic idea: "We try to treat customers as we would hope to be treated," says Dave Antram of Ariens Gravely Tractor Equipment.

"We try to balance being friendly and helpful with a no-pressure approach," says Don Guyton of Buckeye Power Sales. "We offer a relaxed buying atmosphere, so people feel comfortable here."

"We treat every customer the same — great," says Fred Lennox of Harbor Saw & Supply. "We take care of them. We have the right attitude. That's part of being professional."

Learn it, know it, show it

Dealers are also in agreement that product expertise is a big point of professionalism in this industry. One way some dealers address product knowledge is through training and educating everyone in the store who sells to customers.

"We try to hire salespeople with selling experience, then we train them on product," says Guyton. "We make sure they thoroughly know the lines and the features. Then we train them on how we like to sell. I show them videos, have them study brochures, then we role play. I am the customer and the new hire practices his technique."

"At Carver's, we hire qualified people, we pay them well and invest in training them," says Mike Carver. "Customers are blown away because we can answer their questions and educate them. They are used to dealing with high school, \$5-an-hour salespeople from the big home centers. With us, they appreciate coming to a store where we know what we're talking about."

Carver adds that he tries to position every job at his dealership as a possible career — a point he feels is lacking in the industry. "Particularly with the mechanics, we need to help build their reputation in the industry," says Carver. "Being a good outdoor power equipment mechanic

is a career, not just a job until something better comes along. We try to promote that. With a career comes pride and professionalism."

"Most of our people have been here for years, so they know our product well. But we keep them fresh by having everyone review product updates and promotions sent from the manufacturers," says Kurt Waldschmidt of the Town & Country Mart.

Lookin' good

Most dealers also seem to agree that appearance is a big factor in the professionalism equation.

Of the qualities associated with a professional appearance, cleanliness was a common theme. "The first thing I notice when I go into a business is how clean it is," says Carver. "If it's clean, I know they care about themselves, their business and their customers."

"So we keep the whole place pretty clean. I would feel comfortable taking someone into any part of my business any day of the week," says Carver.


Waldschmidt also stresses keeping the dealership clean — and organized. "When a customer makes a purchase, I walk him through our service and parts area to show him how organized we are and how we can serve him."

Well-stocked, attractive displays are also important to professionalism, according to dealers.

"Even though we are big, we work hard with our merchandising displays to make the showroom intimate for customers," says Guyton. "We show a list of features and pricing for every product on the floor."

"We try to add some points of interest in our dealership," says Antram. "We have restored a few antique Gravelys and have them on display. Not only are they interesting to see, they reinforce the idea that we sell equipment with a long history, and that these products have proven themselves."

"Marketing of product is very important," says Carver. "We keep our displays full and never let the showroom get haggard looking. Appearance is an important part of professionalism."

"You need to feel within yourself that you're professional. Being professional starts wherever you're at. No matter how big or small you are, you can show your professionalism," adds Carver. 

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Big Help For Small Businesses

In the quest for success, leaders of growing small businesses are always looking for resources to help them become more professional. Luckily, resources are just a keystroke or telephone call away.

Here is a quick list of resources compiled by the Microsoft® Corp. The technology resource guide was part of a Microsoft 18-page insert called "Technology: the Small Business Edge," in the March 31, 1997 edition of *Newsweek* magazine.

Microsoft Corp. partnered with *Newsweek* and the U.S. Small Business Administration to produce the insert, and used it as an opportunity to feature its new Microsoft Small Business Technology Partnership.

Technology Resource Guide

The Small Business Advisor

<http://www.isquare.com>

Information International advises and assists individuals thinking of starting or already running a business. It also assists companies who do business with U.S. government agencies by providing books, special reports, consulting and seminars.

Idea Cafe

<http://www.ideacafe.com>

A fresh, fun approach to business. Hosted by America's best-read small business columnist, Rhonda Abrams, Idea Cafe combines advice, info, resources and "Lite Bytes" with interviews with leading entrepreneurs. Interactive self-exams, budget sheets and contests along with 18 financing sources for your business and in-depth info on using the web for business communications.

Microsoft bCentral (Web-based business tools)

<http://www.bcentral.com>

No software. No downloads. Just easy-to-use services that help you run your business: web sites and e-mail, search engine submissions, online marketing, e-commerce and accounting, online appointment scheduling, and much more.

Digital Daily

<http://www.irs.ustreas.gov/prod/cover.html>

The IRS web site provides you with information to help meet the tax obligations of a small business. The site has

a list of free services from videos to Tele-tax, and information on the Small Business Tax Information program as well as many other services.

The Marketplace Resource Center

<http://www.imarketinc.com>

Free demographic information and marketplace data, including instant market analysis, on over 1,000 industries. Also provides links to a bookstore with marketing information and an online library with reviews of other marketing web sites.

Business Know-How

<http://www.businessknowhow.com>

Business Know-How is an interactive newsletter for home office and small business owners who are looking for ideas to spark their imagination, or for practical suggestions to start, run and manage their business more effectively.

U.S. Small Business Administration

Service Corps of Retired Executives


SCORE is a SBA resource partner. More than 12,000 volunteer business counselors in 389 chapters donate their time and talent to provide free and confidential business counseling to entrepreneurs. SCORE counselors are located at SBA field offices and BICs. Call SCORE at (800) 634-0245 for the chapter nearest you.

Business Information Centers

A BIC can assist you through access to state-of-the-art computer hardware and software and counseling by SCORE volunteers. To find out if there is a BIC near you, call your SBA field office.

Small Business Development Centers

Funded and administered by the SBA, over 900 SBDCs provide a variety of management and technical assistance to small businesses and would-be entrepreneurs. SBDCs are a cooperative effort among the SBA, the academic community, the private sector, and state and local governments. For additional information,

contact your local SBA field office. 

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Playing the Image Game

A retail consultant discusses what dealers can do to create — and improve — the dealership image.

By Noël Brown

What is image? Webster's Dictionary defines the type of image we're talking about in two ways: "a) a mental picture of something; conception; idea; impression" and "b) the concept of a person, product, institution, etc. held by the general public, often deliberately created or modified by publicity, advertising, etc."

Everyone has an image. And certainly, every business has an image. Customers and prospects form that "mental picture" immediately, and that picture changes and evolves — for better or worse — depending upon their experiences with the business and its people.

"Image is an everyday event," says C. Dean Sisson, an image consultant specializing in showroom design. "Everything you do must be seen as reinforcing a positive, consistent image."

Further refining Webster's definition, Sisson describes image as "meeting customer expectations." He discusses how every element of an experience relays a message about your business, and therefore, must be consistent. Newspaper ads, for instance, convey messages through color, size, type style, pictures, tone and more.

"If a customer sees the ad, then comes to the store to find a different logo, different color scheme, different products or prices than the ad reflected, then that presents a confusing image for the customer." He adds, "Your sales floor should be as well-constructed as your ad design, and vice versa."

Take cues from the customer

Deciding what image you want to present, then what elements you need in order to present that image, can be a big undertaking. But listening to your customers can help you determine what is necessary to present the right image.

"Customers today are faced with a collision of information and entertainment," says Sisson. "Consumers today are setting the stage for what retailers have to do to attract them."

Sisson uses the word "entertainment" often when describing how to appeal to the customer. "Customers are used to being entertained at malls and strip shopping centers," says Sisson. "Independent retailers are not always knowledgeable about creating that sense of

entertainment."

By using the term "entertainment," Sisson doesn't mean having jugglers or showing movies in the dealership — necessarily. Rather, he talks about the entertainment value of the shopping environment you create. "Entertainment could be defined in a number of ways," says Sisson. "It could be the product demonstrations you offer or the demo area offered to customers. It could be a video kiosk with ongoing information playing all day. It could be a unique display that tilts a tractor up at a 45° angle over a mirror to feature the deck. You don't need a huge budget to create a 'fun' shopping environment."

By mixing information and fun, customers will find the shopping experience pleasing — and they'll want to shop there. That attitude of "fun" must reflect throughout the business, especially through the employees. "The one-on-one attitude with customers has to be one of fun," says Sisson. "When employees are excited about their jobs and their products, it translates into a fun environment for customers."

According to Sisson, the emphasis in a dealership tends to be on getting product out the door. "Dealers tend to be so focused on moving the product that they've forgotten what it takes to sell the product," says Sisson. "But if dealers spend a little more time on creating the right atmosphere, the product movement will come."

Creating the right image

How, in general, are outdoor power equipment dealers perceived? Though the perception is slowly changing, thanks to dealers' efforts in stepping up professionalism, there is still a long way to go before customers think of dealerships overall as a pleasant place to shop.

Sisson, who visits dozens of dealerships throughout the year, sees general improvements in dealers' facilities. "Dealers are investing in improvements, often buying, building or leasing newer buildings," says Sisson. "But they think that a bigger and/or cleaner facility is all that's needed, so that's where they stop."

"But what they must realize is they've only improved to the point of the minimum standards expected by customers," says Sisson. "There's still more work to be done to create the image and environment shoppers seek out when

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choosing where to shop.”

Sisson is not a big fan of manufacturer-sponsored display units. “These display units vary quite a bit in size and color, and they often clash when put in the same showroom,” says Sisson. “Such units may be an improvement over what the dealer had before. But dealers should remember that in the long run, the view, perception and image that determines a dealers’ success is a whole package and will not come from one manufacturer’s unit or rack.”

Sisson recommends looking at your store in its entirety (as a customer would) and base display decisions on the consistency of the entire “look” of the store. Make sure that the product is attractively displayed and arranged so it’s convenient to the customer.

Sisson also recommends making sure that all marketing materials that come from the store are consistent in color, type-style and tone with the dealership itself. Look at the ads, mailers and signage and ask yourself, “Does this reflect the image of our store?”

When in doubt, seek professional help

Sisson recommends hiring a consultant to advise on image matters, emphasizing that it doesn’t cost as much as people think. “Dealers hire me for just a few hundred dollars a day,” says Sisson. “That means for the whole day we evaluate the business, I provide helpful tips on all aspects of merchandising and image, and the dealer walks away with a plan that points him in the right direction.” Sisson says that because he’s independent, he has no vested interest in selling dealers certain displays or equipment. 

To contact Dean Sisson, call (614) 888-7577, or e-mail to sissonsisson@earthlink.net.

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Managing image expectations

Image expert Dean Sisson offers some tips on creating the best image.

- **Image counts to all customers.** Don’t assume commercial customers only want to “get in and out fast,” and don’t care about showroom appearance. Though they often say that, my experience with dealers shows that your overall image plays a major role in maintaining a consistent level of loyalty with that customer group.

- **You aren’t just competing with other dealers when it comes to image.** Remember, your dealership competes for the same customer that shops the local department store, grocery store, restaurant and dry cleaners. Everyone is focused on how to attract that customer into their place. Dealers can’t think of their store as an entity to itself. What does the general public experience every day in all those establishments? A well-planned showroom full of quality products, well-lit and spacious gives only a standard level of expectation: now you have to go up from there.

- **There isn’t just one image standard.** If you ask customers what they expect you will get several answers. So in fulfilling those expectations, you must attack

on several fronts. For every different answer you get, that is one tack you have to take. You can’t please all the people all the time, but that shouldn’t stop you from striving toward that goal.

- **Service is expected.** All dealerships claim to offer superior service. So why aren’t customers rushing to your door? We can’t “just build it and they will come.” We must build it and then go and get them.

- **Integrity is a huge image booster.** It all comes down to being honest with your customer. Make a promise, then keep it. When you advertise:

- 1) You promise to have the items in stock.
- 2) You promise a clean and well-organized showroom.
- 3) You promise to have sales staffers who are friendly and eager to serve the customer.
- 4) You promise a great value for every dollar they spend.
- 5) You promise to handle problems or returns with the same enthusiasm as when they bought the items.

Improve the Image of Your Dealership

By Larry Otto



Larry Otto, owner of
Lawn Tech Equipment Co.
in Riverside, California

Our goal as dealers should be to have attractive, professional showrooms, full computerization, empowered employees, and a commitment to support those that respond to our raised professional level.

Marketing to today's customer

You must have a presentable showroom. Today's consumer has to feel comfortable with the product you're selling and your knowledge of the product. If they're not, they'll go somewhere else.

My philosophy is if you haven't done a complete remodel in the last five years, you should. I'm talking about completely re-doing your ceilings and walls, and just starting over. Modernize with the slat wood and attractive lighting.

Secondly is the proper merchandising. Everything should be neat and orderly, with the pricing presented in a professional manner.

"Today's consumer has to feel comfortable with the product you're selling and your knowledge of the product. If they're not, they'll go somewhere else."

— Larry Otto, dealer

When I decided to modernize the look of my dealership, I looked at the trade magazines to see what other dealers had done. Then I visited them. Once I saw the concept I wanted, I went to some of my distributors and said, "I'm going to give you 20 feet. Will you help me display your brand across this 20 feet and help me merchandise it correctly?" They were very willing to lend me a hand.

Distributors can show you how you can make profits with merchandising and accessorizing, as well as the whole goods. At the same time, they're doing turnkey advertising to help you.

Computerization


Our store is completely computerized. Any dealer who buys a computer shouldn't buy it to do just one thing. They should use it to the fullest advantage. I've talked with dealers who say they use it over the counter but not for work orders. That doesn't work. You should use your computer completely to where it does the general ledger, the payroll, work orders, over the counter transactions, everything.

By being computerized you'll see the areas that need improvement and where you're profitable. Having the data to make a good decision and see what works has been the most successful for me.

Be active in your community

I strongly encourage all dealers to give their time and talents back to their respective communities. Become involved in local issues — it pays off. You can talk with the people at the school districts. Or you can get involved with associations and organizations.

In southern California, noise regulations are a big issue. One of the organizations I was involved with was The California Lawn and Garden Equipment Dealer Coalition where I served as vice-chair. We'd formally joined efforts with several handheld manufacturers to support and promote regulation regarding lawn and garden equipment, namely leaf blowers. The coalition had also joined forces with The Association of Latin American Gardeners, The Bay Area Gardeners and The California Landscape Contractors Association.

As an active community member, I'm there with the Chamber of Commerce. I also get to see the mayor and council members regularly. When any issues come up that concern lawn and garden equipment, we can let those key people see our side of the story before any legislation even gets started. 

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Organizing the Service Shop

By Gregg Wartgow

It's no secret — service is what sets independent dealers apart from other retailers. Sue McGavic, owner of McGavic Outdoor Power in Kokomo, Indiana, says, "Service is the key for lawn and garden dealers. It's a hard part of the business, but it's the most important."

Several factors go into making your shop a profit-yielding machine, such as proper shop labor rates and the accurate tracking of your technicians' time.

Another factor that is often overlooked is organization. How organized is your service department? Is your shop kept clean and orderly, so your technicians have an environment to work in that allows them to maximize productivity?

Take a look at what a few dealers have to say about how they've organized their shops and fine-tuned their shop operations so they're making the most of this critical part of their dealerships.

Starting at the work order

It all starts from the moment the customer hands you their piece of equipment. Getting all the necessary information documented onto the work order as quickly and accurately as possible is an obvious first step.

"Our techs always have a clean, orderly place to work. It helps them get around easier and be more efficient."

— Tim Rodriguez, service manager

A computer system that performs some sort of shop management function can be a big help, for several reasons. First, once in the computer, the information is easily accessible by anyone. A second reason is that, generally speaking, the information won't be lost as easily as if it were just written down on a work order.

But not all dealerships have the luxury of being computerized. Nodine Small Engine, Inman, South Carolina, is

one such dealership. Owner Frank Nodine says, "To make sure the information can't get lost completely, our service manager makes a copy of the work order as soon as it's filled out. Then, he gives the copy to the technician in the shop. The main work order he filled out, however, stays in the tray at the service counter. So if the copy gets lost back in the shop, we have another one. We still know what's going on with the customer and his piece of equipment."

Scheduling work orders

Tim Rodriguez, service manager for Jensen & Watts in Fresno, California, says that when a unit first comes in, he keys the complaint into the computer. Then he gives the customer a promise date; typically three days later. To make sure that piece of equipment is ready by the promise date, Rodriguez pays special attention to the scheduling in the service department.

He's also developed a system that allows his technicians to jump right into their work as soon as they arrive at the dealership.

Rodriguez says, "I know which technicians get which jobs. We have one guy who does sharpening, one does two-cycle work, one works on generators, and one does both two- and four-cycle. As soon as I get to work in the morning, I take a look at the work orders we need to get done that day. Each mechanic has his own numbered slot. I put the work orders he's supposed to do in his slot. If one mechanic gets bogged down that day, the others will pitch in when they can. We take it day by day. The goal is to keep work orders flowing through the service department as quickly as possible."

McGavic uses her computer to precisely schedule her technicians' days. There's a place on the work order where she can estimate how much time she thinks a repair will take. Then, she goes to the "shop service" function of her computer. At that time, she assigns a technician to the job, and puts his initials on the work order.

Finally, she then goes to the "scheduling" function of her computer. In this function, each technician's day is drawn out in half-hour time slots. Based on which jobs McGavic has assigned each technician, and how long she's estimated each job will take, each technician's day is filled up. The service manager then rearranges each technician's day so that the most important jobs are done first. When

the technicians come into work in the morning, they'll find their schedules printed out and waiting for them.

Sometimes, McGavic points out, the schedule has to change. For instance, a valued commercial customer may have broken down. That repair has to be squeezed in right away.

Keeping it tidy

A well-thought-out schedule can help keep shop productivity up. A clean, uncluttered, organized shop can also boost productivity. Rodriguez says Jensen & Watts has a guy who does mopping and sweeping on a daily basis. He says, "Our techs always have a clean, orderly place to work. It helps them get around easier and be more efficient."

Furthermore, each of Jensen & Watts' technicians must mop and clean his work station weekly. Also, during the slower winter months, all the shop tools are cleaned and serviced, making sure everything is in good working condition. "This is really important because it helps avoid breakdowns during busy season," Rodriguez explains.

Keeping it uncluttered

Keeping the shop uncluttered, especially during the busy season, is sometimes a challenge. One way to minimize clutter is to keep the equipment that's not presently being worked on out of the way. That also can have another positive effect. Nodine says, "Out of sight, out of mind. When it gets busy, if the technicians see all this equipment piling up for them to work on, they can get overwhelmed. If they get that equipment out of the way and don't have to look at it, it's easier to focus on the job at hand. Then they can work more quickly."

Some dealerships, in a sense, "split their shops in half" in order to keep things organized. For example, Jensen & Watts has a divider in its shop. On one side of the divider, the "to be worked on" equipment is stored. On the other side, the "done" equipment is stored. Same thing with handheld equipment. One rack is for "done" units, another rack is for "to be worked on" units.

McGavic Outdoor Power has a similar system for storing equipment in the shop; although there is no physical divider. They just keep the equipment separated. Their technicians also put bright-green tags on the completed equipment, with their initials on it so it's easy to know who worked on it.

Boosting efficiency

The shop at Jensen & Watts is set up with five work stations. Each is equipped with its own oil installer. Tim Rodriguez says, "It's nice because our technicians don't have to run from one part of the shop to another in order to put oil in a unit." Each station is also equipped with an exhaust fan and lift table.

Frank Nodine of Nodine Small Engine says his two technicians couldn't work without their Heftee lift table. He relates, "We got it a few years ago. At first, our techs were hesitant to learn how to use it. But much like a computer, once they got used to it, they wouldn't work without it. It helps jobs get done faster. We can see things better and diagnose problems easier."

Roy Whiting, co-manager of Mower Mart in New Port Richey, Florida, enhances his shop's efficiency by the way he stores nuts and bolts, etc. He explains, "It makes it so much easier to have an organized, large selection of hardware on hand. This way, you pretty much have everything you're going to need, and you won't have to order a single bolt from a manufacturer to get a job done. We label each little compartment with the part number. So it's easy to see what's where."

Safety in the shop

Shop efficiency should be a top priority for any servicing dealer. Safety should, too. It sure is at Nodine Small Engine. The dealership tries to have a 10- to 15-minute safety meeting every Wednesday morning; during the busy season, however, it may only happen every other week.

Whatever the case, safety is stressed as much as possible. Nodine says, "There are signs hanging up all over the place reminding the technicians to wear their safety glasses and gloves. We also have an eye-wash station on the wall next to the acid batteries."

Safety and efficiency really go hand in hand. After all, how can your shop be as efficient as possible if you lose someone due to an on-the-job injury? That's why many dealers will agree, keep your shops as clean, uncluttered and organized as you can. A cleaner, safer work environment is a good step toward boosting shop efficiency — and profits. **YG**

Originally printed in Yard & Garden January 2001 issue.

Organizing Parts Inventory

Systems to help maximize space, save time and increase profits from the parts department

By Gregg Wartgow

Organization is one of the keys to making your parts department run as efficiently as possible, allowing you to reap its ultimate benefits. Several dealers offer tips on how to keep your parts inventory clean and organized — maximizing storage space; and simplifying the process of receiving, storing and retrieving parts.

Maximizing space

Al Eden, president of Edens Ltd. in Anamosa, Iowa, has made parts a big part of his business. His philosophy is: stock deep in parts for the brands he carries, and special-order anything else. Eden estimates that he has roughly 4,000 part numbers in inventory. His dilemma?

"We have a pretty small parts room considering all the parts we have," Eden relates. "We have to use every square inch in order to store everything."

Utilizing ceiling space to store belts is a good example of how Eden uses every square inch. He has roughly 250 models of belts, so he has to make the most of the space he has. He explains, "We put 2x4s on the ceiling, and pound nails into each side of them. We're able to hang three 2x4s overhead in an aisle; for six rows of nails. We assign each 2x4 a letter, and each nail a number. This allows us to mark down the location of each belt in the computer so we can find it easier."

For longer belts, Eden has a two-sided pegboard wall. Again, for locating purposes, each panel is assigned a letter. He narrows the locations down even further, assigning another letter for every foot going down, along with a number for every 18 inches going across. Finally, each peg hook has a tag hanging on it with the belt number that's supposed to be stored there. So if the hook is empty, it's easy to know what belt is supposed to go there.

Saving space with storage cabinets

Several dealers have made use of storage cabinets to save space. P.D. Peterson, a technician at East Tenn Rent Alls in Johnson City, Tennessee, says the best medium for storing parts is cabinets. There are a couple primary reasons:

- Keeps parts cleaner and more organized
- More parts fit in less space

Store more parts in a lot less space. That's exactly why Garry Thompson, owner of T&S Mower in Olmsted Falls, Ohio, went to storage cabinets in 1994.

"We were out of room," Thompson recalls. "We bought some Stanley Vidmar storage cabinets. They saved us an amazing amount of space. We took out all our shelving and bins, and replaced them with nine cabinets. We were also able to add two 5'x5' cubicles and one 6'x6' cubicle with the space that was freed up. We've since added four more cabinets, for a total of 13."

Saving time with storage cabinets

Thompson says there was another benefit to the cabinets; one he never even thought about. "The biggest savings has been in time. We were able to work with one less person (although just part-time) in the parts department. This benefit came almost immediately after installing the cabinets."

Within six months, Thompson says the cabinet system was fully implemented, and the parts department was running more efficiently than ever. "Everything was so much faster and easier to get to," Thompson explains. "We could take care of more customers, in a much more timely fashion. There's nothing faster than pulling the drawer out and grabbing the part you're looking for."

The cabinets have also resulted in more accurate inventory counts for Thompson. He says that every time he opens a drawer in a cabinet he can easily see how many of something he has. While his business management system keeps track of inventory counts for him, it's now much easier to double-check inventory.

"As soon as we have some downtime," Thompson says, "we print out the inventory for one cabinet, then go right to that cabinet and double-check the inventory. As a result, our inventory is much more accurate than it's ever been."

Cabinets in action

When he was using shelving, Thompson says he stored, for example, Tecumseh on one shelf and Briggs on another. With the cabinets, however, it doesn't work that way.

"We organize our cabinets by size of part, and the popularity of the part," Thompson says. "We run a 'popularity report' to find the 20% of parts inventory that are the biggest movers. These more popular items — such as

blades, wheels and spark plugs — then go in the four cabinets directly behind the parts counter.”

Eden says it's a good idea to designate a cabinet solely for special-order parts. “When a special-order part comes in, we set up a held invoice for it,” he explains. “On that held invoice, we list the location we've stored the part in: cabinet, shelf and tray numbers. For example, BB5A would be the BB cabinet (which we've set up solely for special-order parts), shelf 5 and tray A. Then, when the customer comes in to pick up the part, we just look at the location listed on the held invoice. It's simple to find after that.”

Let your computer do the remembering

When you develop a system to assign locations for parts in your storage area, knowing where certain parts are stored becomes less critical. A computer can really help in this endeavor.

“We make use of the inventory file feature that's part of our business management system,” Thompson says. “For each part number in our computer, we assign a location. For example, part X could be stored in cabinet A, bin 3, row 6. The computer tells you that, so you don't have to memorize where part X is stored.”

But you do have to make sure all cabinets, bins, racks, etc. are clearly labeled, and that the locations for each part are properly entered in the computer. Furthermore, parts need to be stored in their designated locations, or the whole system breaks down.

Keeping things in order

This is where problems can sometimes arise. Peterson says, “Whether you're tracking inventory using a card system or a business management system, the system is only as good as the employees using it.”

The best way to keep the parts inventory clean and orderly, according to Peterson, is to have a dedicated parts manager. This person will ideally order parts, stock them, sell them, and get them for technicians. Having a single person perform these tasks helps eliminate the “too many fingers in the pie” syndrome.

Peterson adds, “It also allows the technicians to spend more time spinning wrenches, which is what they're supposed to do. Having a dedicated parts person is an added expense. But if you can increase your shop's billed hours, and increase parts sales and efficiency in the parts department, it's well worth it.”

Cleaning up inventory

Wasting space, time and money on obsolete parts, and parts you maybe shouldn't even be stocking, can cer-

How suppliers can help

Your aftermarket parts suppliers can be a great source to help you in keeping your parts inventory as organized as possible. After all, parts are their specialty.


Carol Dilger, corporate marketing services manager for Stens — an Ariens company, says, “Our territory managers consult with dealers one-on-one. In-stock parts are reviewed to determine if duplicate items may be in stock. Often, the same part may be stocked in multiple locations under various original equipment manufacturer (OEM) numbers. Once the duplications have been identified, the territory manager works with the dealer to set up parts bins by combining and then labeling parts in each location.”

To help its dealers keep organized, Frederick — Silver Streak Replacement Parts places a lot of emphasis on the way it structures its catalog. Part numbers are organized to keep similar parts together. For example, air filters start with 30-xxx, edger blades with 40-xxx, etc. This system is designed to make it simple when trying to match a customer product request, or when the service shop needs to locate parts for doing repairs.

Silver Streak also offers several products to its dealers:

- Inventory Essentials — parts boxes and labels for every Silver Streak part
- Parts Labeling — Silver Streak identifies over 62% of its parts with an oversized-type label that includes part number, description, application information, OEM part number and UPC bar code.
- Passport Complete Cross-Referencing Software — You can search by OEM number, description, OEM brand, any aftermarket part number or size of the part.

tainly retard parts department profits. Peterson suggests that every couple of years or so, you should take advantage of buyback and stock return programs that your suppliers offer.

He says, “They may want you to order more than you return. But you're better off having \$2,000 worth of air filters, carburetor kits and mufflers that will sell than you are sitting on old inventory that's getting more obsolete with every passing moment.” 

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How to Secure a Future in an Ever-Changing World

By Todd E. Helton

Todd E. Helton,
owner of
Performance Tool Group
in Cincinnati, Ohio



Two years ago, in the middle of a career change, I found myself having to plan for my future all over again. I thought to myself, "There is no plan I can set up today that will secure my future for tomorrow. There is no plan that will successfully get me to where I want to be for retirement."

In purchasing a family-run business of 40 years, I found myself having to re-evaluate every process that was in place. I started with consolidating my purchases to give me more buying power. Then I looked at which distributors I could team up with that were going to grow and continue to be a leader in the industry for years to come. The choices were not as difficult as you might think.

Finding a manufacturer to partner with

***"My plan was now obvious:
'Do not be the low-price leader.'
I will be the guy that provides
'top-of-the-line service for all
products that we sell."***

— Todd E. Helton, dealer

In today's market, there are hundreds of people trying to sell you their products. But looking for a top-of-the-line manufacturer with the service and inventory to always keep you on top is a whole different story.

When you really start looking into it, a lot of the manufacturers out there just don't fit; whether it's your marketing needs, or simply your point of view. There aren't many companies you can see eye to eye with.

It goes so much further than who has a product to sell. If there's a bad product, who's going to say, "We have a problem with this product so we're going to pull it off the floor," as opposed to continuing to send it out?

The manufacturer that will take that product off of your

hands is a manufacturer you want to partner with.

The dealer's role

In the day and age where low-price leaders are the loudest advertisers hitting the airways, I had to stop and think about how I could outsell them. When I started to look at the competition I noticed that one large store just filed Chapter 11 bankruptcy. The guy next to him was closing two of his five stores in town. And a new guy just arrived saying he could give you more product for an even lower price than the others. This was sounding all too familiar. We have been down that street and the results are all over town.


Declare a point of distinction

My plan was now obvious: "Do not be the low-price leader." I will be the guy that provides "top-of-the-line service" for all products that we sell. The next question was what products will live up to the expectations of today's consumer.

In marketing and retailing, how well your product displays means everything. When I got into this business, I bought a tool store that looked like it was out of the '60s. That's one of the top reasons the big-box stores are so successful — products are displayed nicely.

One of our key suppliers puts out great displays, and the advertising and merchandising that goes along with the product is outstanding.

Now that we supply quality products and display them properly, it's our daily challenge to provide better service to our customers. We have upgraded our parts inventory to allow us to complete 80% of our repairs within a 24-hour time frame from the drop-off time. We also go out of our way to expedite commercial accounts, as well as give volume incentives.

I know without a doubt that the secret to my success will be to maintain relationships with manufacturers that get the same high level of performance from their products and service as we get from ours. 

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*-Randy Longnecker, J&I Power Equipment, Olympia, WA,
with his antique Stihl Tractor.*

“One reason to sell Stihl exclusively? Heck, I’ll give you 31,300.”



“That’s one for every Stihl I’ve sold over the last 26 years, and there’s no way I’m selling any other brand of handheld power tool. Hey, Stihl believes in supporting its dealers. That’s a big deal when you’ve got other companies undercutting their dealers by selling

through warehouses and ‘big-box’ stores. And selling one brand streamlines my entire business, especially on the showroom floor when I can match my customer to the right Stihl tool, in less time than if I wasn’t an exclusive Stihl Dealer.”

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Number One Worldwide

INDICATE 122 ON INQUIRY CARD



- Joe Idol, Farmers Feed and Seed, Kernersville, NC

“Other companies call it Distribution Strategy. I call it selling me out.”



“Imagine companies like Electrolux selling products under different names, with different price points, painted different colors just to move more merchandise. Well, that’s what’s happening in the outdoor power equipment

industry and it’s taking money right out of dealers’ pockets. With Stihl, it’s one product, one name. That means no undercutting the dealer in warehouse stores, catalogs or over the Internet. That’s just another reason why I sell Stihl.”

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