

Training: Expense or Investment?

Written by Jan Kelly

Tuesday, 31 December 2002 16:00

Training is often viewed as an expense rather than an investment in the people who produce for the dealership. To those who say, I m not sure if I am going to retain this person long enough to get them trained. I reply, Why would you hire someone in whom you have so little confidence?

The F&I process protects the dealership. Proper disclosures are not optional- they are mandatory. The legal liability alone should be sufficient motivation to prepare F&I professionals to represent the dealership and the products it offers to customers. With this mandate in mind, let s review the two types of training that are common within the industry: Product Training and Process Training. Both kinds of training are as necessary as they are different.

Product Training. Vendors typically provide this training as part of their service to the dealership that sells their products. The focus on product features and product knowledge is vital. Personnel must know what the products can do and be able to explain it to the customer. They must also have faith in the company that provides the product or service and communicate that confidence to the customer.

Part of product training involves reading the fine print. If the product is insurance related, the producer should also telephone the claims department to experience the typical time on-hold, the level of professionalism displayed to the customer, and the follow through on the solution. By completing due diligence, the producer can speak from a position of authority instead of hearsay.

What happens to pro-ductivity when there is a change in vendors or companies? The dealer must realize that relationships and loyal-ties are at stake. The producer may have negative feelings about the loss of familiar forms, familiar faces, and familiar voices. Production may decline with the winds of change. As a wise and witty person once said, The only people who like change are babies who soil their diapers!

Process Training. When the producer experiences process-based training, the nameplate of the products and services is incon-sequential. The products and services are discussed with a generic nameplate. Today s core products are very similar- I like to refer to them as the me too group. That is, one company will cover something, and the other company says, ME TOO! With so many commonalties, generic products make process training a viable method. When change

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occurs, production does not suffer. Process-trained producers know how to spot variances and can fine-tune their presentations in a heartbeat. Presentations are based on customer concerns and not solely on the product features. The producer focuses on product benefits and how they satisfy the customer's needs, wants, hopes, and desires.

Focus on the producer's inter-viewing skills and the ability to relate product use to the customer's lifestyle build a strong foundation for increased productivity. When customers can see how they benefit from using a particular policy or service, they will open their wallets to invest in peace of mind.

Process training is usually paid for by the dealership and not by a vendor. This arrangement makes sense since the dealership reaps the lion's share of the monetary rewards for the increased production, and a properly educated producer, in the course of performing their duties, protects the dealership.

Training Delivery. When the educator comes on site to the client, the training can be tailored to meet the particular needs of the dealership and its personnel. Public venues range from a small seminar group to large convention audiences. Obviously, smaller groups allow more information to be exchanged between the trainer and participants. The educator can see the faces of each participant and can more accurately gauge the pace and amount of information.

Training Implementation. Whatever the venue, trainees should leave the educational experience confident about and ready to use their new or enhanced skills. The dealership management that sponsored the training must now encourage and support the implementation of ideas brought back from training.

The best way to lose return on your training investment is to discourage implementation of the training. You know the scenario. A trainee returns to the dealership excited about trying new ideas and a senior manager responds, That's nice, but that is not how we do business here. Or, That will not work in our marketplace.

Sound business practices work in every marketplace. The only reason a plan will not work is because someone in a place of influence does not want to give the plan an opportunity. Let's face it, we cannot expect an increase in production by doing the same things we have always

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done. The businesses that are at the front of the pack are the ones who are refining their processes, searching for improved methods, and are willing to listen and act on better plans.

No matter how long you have been in the industry, training should be a part of your annual business plan. Updating and recharging are critical for growth. If you want to reap the rewards of training, remind yourself often, The mind is like a parachute . . . it works best when it is open.

Visit the Kelly Enterprises booth #1540 N. at NADA to find out how an investment in process training can spare you the expense of losing ideas that work!

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