

Sustainable Employee Engagement of Salespeople at Automotive Dealerships in Germany

Online Survey with 500 Salespeople

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Abstract

The Objective of Prof Dr Mike Hoffmeister's research project is to analyse the human resource management in the automotive retailing in Germany. Over 500 salespeople were interviewed. The study shows a high demand for qualified managers in most dealerships in Germany. Many superiors have been promoted to sales manager due to their excellent sales performance. They often lack the necessary skills and competence to lead a sales team. Poor leadership and inadequate remuneration are the main reasons to change the dealership. Due to the high workload, salespeople feel "burned out". They think that their superiors underestimate the issue of burnouts. Praise and appreciation are the primary motivational incentives. At the same time, however, a lack of recognition of the sellers' performance by the supervisor is observed. Inadequate internal communication of objectives and strategies leads to a lack of identification of employees with the dealership.

Keywords

Automotive, salespeople, motivation, leadership

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1. Initial situation

In the context of globalised automotive industry, sales and marketing became globally standardised. The focus is especially on the transnational compliant performance of the automotive brand on a high level. At the same time companies face consumers, who are increasingly well informed and assess brands more critically (ICDP 2018).

To build up and maintain long-term relationships with customers, the reputation, i.e. the “good name” of the company is of decisive importance. Economically successful brands focus their business activities on strategies and measures to improve human resource development (Yohn 2016). According to the Harvard Business Review a company’s economic success is directly dependant on quality of the relationships between the people of the Service Profit Chain and the interface to the customer (Davenport 2012). Cain, Tanford and Shulga (2018) further pointed out that energy and dedication impact strongly on the customer loyalty. Committed employees are proud to work for “their” company. This is reflected in their high motivation to promote its success dedicatedly. These employees are very loyal to their employer, recommend the products and services to their family and friends and they show the lowest absence rate due to sickness (Gallup, 2018; Nink, M. 2016a).

Towers Watson’s “Global Workforce Study“ of Germany (Towers Watson’s, 2016) suggests that the loyalty of employees is influenced the most by the factors ‘job security’ and ‘basic pay’. Sustainable employee loyalty can only be achieved by “soft factors”. This is the substantial difference between successful and less successful companies. Applied to automotive retailing it means that employees know and understand the objectives and values of their company and also identify with them. Thus employees feel connected to the company through their performance. The work environment should enable the employees to maintain a high-performance level in the long-run. In addition two other factors also play an essential role in maintaining the performance level: good interpersonal relationships and emotional well-being at work.

Therefore, the sales management of car manufacturers will increasingly focus on human resource management in automotive retailing. That is exactly where consumers experience the quality of the brand. However, the automotive retail industry is characterized by high employee turnover. In the study of salespeople by the management consultancy “2hm&Associates” (2011) 400 surveyed sales managers stated that only a third of their team is “extremely motivated”. The opposite conclusion is: two third of the salespeople “work to rules”. A significant deficit in the understanding of leadership by sales managers can be approved in automotive retailing (Nink, M. 2016b).

The conducted empirical research focuses on the practice of employee engagement of salespeople in automotive retailing in Germany. Strengths and weaknesses are analysed.

2. Research objective and design

The Objective of this research project was to identify and analyse the current human resource management practices in the automotive retailing industry in Germany. The research has an explorative character and is based on a modified Delphi-Study consisting of three rounds: round 1 pre-study with automotive experts; round 2 on-line-survey with salespeople; round 3 workshop discussion with automotive experts.

The research project was conducted in collaboration with „International Car Distribution Programme Ltd“ (ICDP). ICDP is a research cooperation for car distribution and is supported by the European automotive industry. The research of Prof Dr Mike Hoffmeister was supported by the Ostfalia University of Applied Sciences Faculty of Business Research Team Elisabeth Uta, Kristin Goettlicher, and Frank Harmeling.

In the **pre-study**, the author interviewed over 30 experts in Germany, the UK, and the USA who specialised in the fields of automotive retailing, manufacturing, consulting and automotive associations. The topic was also discussed at the ICDP Automotive Networks International Leaders Forum in Chantilly, France. Further participation of the research team at the NADA (National Automobile Dealer Association) convention (congress of automotive dealers in the USA) in lectures and workshops about human resource management in automotive retailing also added to the knowledge base.

Brand	Percentage	Evaluated Questionnaires	Brand	Percentage	Evaluated Questionnaires
Audi	17,44	90	Mercedes	4,07	21
BMW	15,50	80	Nissan	2,33	12
Citroen	3,68	19	Opel	8,33	43
Fiat	2,52	13	Peugeot	5,43	28
Ford	6,78	35	Renault	3,68	19
Honda	0,97	5	Seat	3,88	20
Hyundai	4,46	23	Skoda	8,72	45
Jaguar	1,16	6	Toyota	5,81	30
Kia	4,46	23	Volkswagen	31,98	165
Land Rover	1,36	7	Volvo	3,49	18

Fig 1: Evaluated Automotive Brands

In the **online survey** salespeople in Germany were asked about measures of human resource management in their dealerships. The email addresses were gathered from the websites of the respective dealerships. A

total of 6,601 online questionnaires were sent to salespeople of 20 automotive brands in Germany, 619 salespeople responded (response rate 9.4%). The basis of this analysis is only fully completed questionnaires. In the end 516 questionnaires were analysed. This equals an adjusted response rate of 7.8%. The research results were also finally discussed with automotive experts.

3. Study results of an online survey of salespeople in Germany

On the basis of 516 evaluable questionnaires the following results were determined empirically. Automotive retailing is still dominated by male sellers. The proportion of women working as new car salespeople is only 8.3% (hereinafter waiving the differentiation between saleswomen and salesmen). 50% of the respondents work at the same car dealership for four or more years and only 13% of surveyed salespeople for less than one year. Two-thirds of respondents are between 25 and 48 years old.

The very high response rate of the online survey in Germany (adjusted response rate of 8.0%) shows a high relevance of the research topic as well as the concern of car salespeople.

3.1 General situation regarding employee satisfaction

Three out of four salespeople are enthusiastic about their job. This figure is the highest among the new hires with 87% and decreases gradually with increasing age of the seller and the duration of employment. The success of the dealership is significant to about 90% of all respondents – across all age groups and duration of employment.

Majority recommends their dealership as an employer

58% of respondents would recommend the current dealership as an employer to friends and family members. This rate of recommendation decreases with age of the salespeople. Among respondents under 24 years, the recommended rate is at 67%, and it drops to 50% for sellers of the age group 49+ years.

Work influences private life strongly negatively

It is noteworthy that even every other seller agrees or fully agrees with the statement *"My job negatively influences my private life to a significant extent."*

Older salespeople agree to the statement slightly more than younger sellers. The burden of the private life is the lowest in the age group up to 25 years with 35% and the highest in the group 49+ with 55%.

The workload also increases significantly with duration of employment. While only 37% of sellers who work at the dealership for up to three years say that their private life is influenced negatively, up to 63% of employees who are at the dealership for more than ten years state the same.

Salespeople feel “burned out“

In the last 12 months, every other salesperson felt “burned out” due to job stress (e.g. fatigue, exhaustion, insomnia, fear of failure, mood swings). A positive correlation between feeling burned out, and both the size of the dealership and duration of employment can be recorded. The larger the dealership and the longer the employment period, the more people suffer from symptoms of burn out. Only 31% of salespeople who are employed in a dealership less than one year claim to have symptoms of burn out compared to 61% of longer employed salespeople.

It is noteworthy that the star-sellers, selling more than 250 automobiles per year, do not report symptoms of burn out above average although they sell a higher number of vehicles. Also, their private life is not more often affected by work stress, compared to sellers who sell fewer vehicles.

The insufficient duty of care of superiors

Given the fact that every other seller feels burned out, it is noteworthy that only 42% of the salespeople state that their superior is very interested in their well-being (Work-Life-Balance). This figure drops with increasing age. Only two-thirds of salespeople over 35 years agree that their well-being is essential to their superior.

With increasing duration of employment the feeling that the superior is interested in the salespeople well-being (work-life-balance) decreases. Less than every third employee who works at the dealership for more than ten years disagrees with this statement.

The superior’s interest in the sellers’ well-being is above average in smaller companies, for companies with more than 2,500 vehicles sold this interest is below average.

No “open error culture“ in dealerships

The acceptance of errors by the superior (“open error culture”) is important for the success of the company and the motivation of employees. The survey reveals that only 61% of respondents are not punished for working errors. This means that four out of ten employees have to fear consequences by the superior for errors in the workflow. When asked whether the employee can share his own professional opinion with the superior without being afraid of negative consequences, every third salesperson disagrees. Salespeople with a longer period of employment state significantly less to have an open approach to errors at their dealership.

High willingness to quit a job

42% of all respondents seriously considered to change their employer within the last 12 month. The willingness to change the employer is the highest at 49% in the age group of 35 to 48 years and the lowest at 25% among salespeople under 25 years. Regarding the duration of employment it becomes clear that the willingness to change is the highest with 50% for employees working for the dealership for ten or more years.

One of the top three reasons to change the employer is the lack of appreciation of the employee’s work by the superior (see fig. 2).

The willingness to change is slightly lower among salespeople working in a branch than among those working for a franchised dealership.

The most commonly named reason for termination by volume sellers is by far the manager’s leadership style (e.g. lacking appreciation). Sellers, selling up to 220 cars state inadequate remuneration as a reason for termination more often than other sellers.

Reasons to change employer			
	Salespeople with 80-120 sold cars p.a.	Salespeople with 121-220 sold cars p.a.	Salespeople with >220 sold cars p.a.
1	Pay too low 82%	Pay too low 66%	Manager’s leadership style 81%
2	Manager’s leadership style 69%	Manager’s leadership style 65%	Pay too low 56%
3	Workload too high 59%	Lack of career opportunities 57%	Workload too high 50%

Fig. 2: Reasons to change employer

Every third seller does not rely on superior

The reliability of the superior towards the salespeople is an important part of the leadership style. Only two-thirds of the respondents state that they can always rely on their superior. This figure is also obtained for the factor “Expectations of superiors”. Three quarters of respondents say they always know what their superior expects from them. Conversely, this means that every fourth seller does not know what is expected of them.

Two-thirds of respondents agree to the statement *"My superior is always ready to listen to me (open door policy)."* Salespeople under 25 years agree above average with a total of 78%. An explanation for this could be that sales managers probably rather help young entrants when it comes to answering questions or solving problems.

It is significant that women agree with the following statements more than men:

- *"I can always rely on my superior."*
- *"My superior is always ready to listen to me (open door policy)."*
- *"Within the past 2 weeks my superior praised my job performance."*

Only every other salesperson has personal appraisal interviews

It is critical that only 53% of respondents claim that they had a planned individual appraisal with the superior within the last 12 months. In the age group up to 34 years around 60% state to having had an appraisal. With increasing age fewer salespeople had an appraisal, the figure drops to 42% for sellers over 34 years.

The same can be observed regarding the negative correlation between having had an appraisal and duration of employment. Considering the period of employment the survey shows that sellers with the shortest employment period of less than one year have more appraisals with 75% than the others. This figure decreases with longer periods of employment and is the lowest for salespeople working at the dealership for 11 and more years.

Branches of OEMs/importers conduct more individual appraisals

It is also striking that in branches of the manufacturer/importer planned individual appraisals have a higher value than at authorized franchised dealers. 64% of respondents working for a branch indicate that they had an appraisal with their supervisor within the last year. In contrast to that 51% of respondents who are employed by a franchised dealer state the same.

According to the study, salespeople state that those individual appraisals were pleasant and fair. Those managers who conduct appraisals do it in the right manner. In contrast managers with low leadership competence avoid conducting individual appraisals.

Premium car brands conduct individual appraisals more consistently

It is striking that premium car brands perform planned individual appraisals most consistently. 61% of premium sellers, 51% of the volume sellers and 41% of the niche sellers indicate that a personal appraisal was conducted within the last 12 months.

Every third seller undersupplied with working materials

The design of the workplace is of great importance for the engagement, motivation and the resulting high commitment of salespeople. Two-thirds of respondents state to be fully supplied with the necessary working material by their superiors to achieve excellent work results. However, this means conversely that every third salesperson is undersupplied.

Insufficient supply of information

An important element of employee engagement is the continuous communication of goals and strategies. Only if the employees know the goals and strategies pursued by the management, a high degree of identification with the company is possible. However, the study shows that one out of three respondents is not fully supplied with this information.

Volume sellers identify more with corporate objectives

Volume sellers are significantly more aware of the strategic direction of their dealership with 91% than salespeople selling less than 220 vehicles with 71%. In addition, volume sellers identify significantly more with the corporate goals of the dealership compared to their colleagues who sell less.

Volume sellers have high decision-making competence

66% of the surveyed salespeople state that they have been given the discretion to make their own decisions to satisfy customers' specific needs outside the normal working process. This figure is particularly pronounced among volume sellers at 82%.

“Code of Conduct” creates loyalty

It is significant that the willingness to quit the job is lower in dealerships that have a written code of conduct for the treatment of fellow employees and managers among and with each other (code of conduct). The more the employees identify with the code of conduct and the more actively the superior is living this code of conduct, the lower is the termination readiness.

Only every other dealership has a “Code of Conduct”

According to the respondents only about every other dealership has a written guideline for the treatment of fellow employees and managers among and with each other. It is noticeable that especially sellers who only work for their dealership up to three years, agree significantly more often that the dealership has a written code of conduct, than sellers who are already employed for four and more years. It can be supposed that there is a written code of conduct in many dealerships, but it is only communicated to newly hired salespeople. However, it is crucial that this code of conduct be regularly discussed with all employees.

It is striking that according to the surveyed salespeople only 41% of the authorised franchised dealers, but 64% of the branches of manufacturers/importers have a code of conduct. Almost every other premium seller agrees to have a code of conduct. One-third of niche vendors state the same.

If there is a code of conduct in a dealership, around 80% of the salespeople know it in detail and they identify with it. It is very positive that 69% of the respondents whose dealership has a written code of conduct state that their superior is a role model for living this code of conduct very actively. By trend, this "role model character" is lost with increasing size of the dealership.

Lack of appreciation

Only 6 out of 10 salespeople agree or fully agree with the statement "*In my company all employees are treated with respect and appreciation.*" Employees older than 34 years feel to be significantly less treated with respect and appreciation than the younger employees.

The feeling of being appreciated decreases significantly with increasing duration of employment. New hires with an employment period of less than one year show the highest figure with 76%. Only 37% of salespeople who work at the dealership for more than 10 years feel treated with respect and appreciation.

Superiors praise too little

Praise is a clear sign of appreciation of the employee. Only 47% of the surveyed salespeople state that they have been praised by their superiors for their work performance within the last two weeks. With the rising age of the salespeople this figure decreases dramatically. 63% of salespeople up to 25 years agreed to have been praised within the last two weeks, only 37% of those over 48 years agreed as well.

While 67% of new hires say they were praised for their work performance, this amount decreases significantly with increasing duration of employment. Only 26% of the salespeople with the longest employment period were praised.

3.2 Performance incentives

As a leader it is very important to provide the right performance incentives in order to motivate the employees sustainably. Therefore, the respondents were asked about their preferred incentives and the incentives offered by the superiors.

Praise, appreciation and honest recognition are the most important incentives

The salespeople were asked which incentives are most important to them personally. The respondents could choose three out of seven given answers.

Salespeople of all age groups most frequently chose the category “*praise, honest appreciation, being taken seriously*” with 78% when asked about their preferred incentives.

The second and third most important incentives are “*Additional Commission/ bonus above contract*” with 67% and “*Personal development/ career perspectives within the dealership*” with 59%. The respondents chose the answers “*Manufacturer events (e.g. conventions, sales competitions)*” with 10% and “*Material resources (e.g. watch, suit, weekend trip, special company car for the weekend)*” with 8% the fewest. Factors in the fields of working environment, reasonable working hours and fair compensation dominated the answers of the individual responses.

Commission and bonus are the most critical hygiene factor

In the evaluation of monetary incentives (commission, bonus) it should be noted that this is an extrinsic motivator, also called “hygiene factor” in the two-factor theory of Herzberg (Kotni, Karumuri 2018). Herzberg distinguishes intrinsic and extrinsic factors. Intrinsic factors refer to “internal incentives”, i.e. the result is job satisfaction (e.g. desire for professional and personal development, recognition), and the activity itself motivates the employee (Flow-Theory). The Flow-Theory describes the fact that people achieve the best working results if they have to come out of their comfort zone and have to take a risk to accomplish the task (Turaga 2018).

Hygiene factors are described as extrinsic motivators which can only prevent job dissatisfaction (e.g. the company policy, monetary incentives, job security). Employees take them for granted, i.e. they do not have a motivational effect, but if they are missing dissatisfaction arises.

Even when considering the preferred incentives depending on age groups, praise, appreciation and recognition are still the most important incentive. The preference of this incentives increases slightly with age.

Age-group-specific view

Looking at the preferred and desired incentives depending on the age group the following figure is the result:

Top 5 Preferred Incentives by salespeople					
	General	<25 years	25-34 years	35-48 years	49+ years
1	Praise, honest appreciation	Praise, honest appreciation	Praise, honest appreciation	Praise, honest appreciation	Praise, honest appreciation
2	Additional commission/ bonus	Career perspectives within the dealership	Additional commission/ bonus	Additional commission/ bonus	Additional commission/ bonus
3	Career perspectives within the dealership	Additional training	Career perspectives within the dealership	Career perspectives within the dealership	Career perspectives within the dealership
4	Additional training	Additional commission/ bonus	Additional training	Additional training	Additional training
5	Company car	Company car	Company car	Company car	Company car

Fig. 3: Top 5 preferred performance incentives by car salespeople

Importance of commission and bonus depends on the age of the seller

From an age group-specific view praise and honest appreciation is still the main incentive (78%), and the importance increases slightly with age. When looking at other preferred incentives, there is a differentiated picture depending on the age group.

The survey shows that salespeople under 25 years consider “*Personal development/ career perspectives within the dealership*” (69%) and “*Additional training improving my knowledge, skills or qualifications (e.g. commercial seminars)*” (61%) as more important than “*Additional Commission/ bonus above contract*” (47%) which is only on fourth place. On the other hand sellers over 25 years prefer additional commission and bonus as the second most important incentive (70%), followed by “*Personal development/ career perspectives within the dealership*” (56%) and qualification measures (38%).

The importance of the incentive “*Personal development/ career perspectives within the dealership*” decreases significantly among salespeople over 49 years. An explanation for this tendency might be that career planning of people in this age group in most cases loses its importance.

Appreciation is especially important for volume sellers

Across all surveyed salespeople “*praise and honest appreciation*” and “*additional commission/ bonus*” are the most preferred incentives with 77% and 72%.

Looking at the performance incentives depending on the sold cars per salesperson, those with more than 220 sold vehicles per year drop out. In this group the incentive “*praise and honest appreciation*” is by far the most stated answer with 91%. “*Additional commission/bonus*”, however, is still the second most important incentive, but only with 66% of responses.

Furthermore, among volume salespeople “*Additional training to improve my knowledge, skills or qualifications*” is the third most stated incentive (56%). Considering now the volume salespeople who sell more than 250 vehicles per year “*personal development and career perspectives*” is their third-most important incentive (61%). By trend, “*personal development/ career perspectives within the dealership*” is offered volume sellers above average by the dealership compared to salespeople selling fewer cars.

Women prefer personal development as a performance incentive

A gender-specific analysis reveals that women significantly more often prefer personal development and career perspectives with 75% than men with 58%.

Superiors offer wrong incentives

Turning now to the incentives offered to salespeople by superiors it becomes clear that managers assess the importance of individual performance incentives wrongly and therefore often offer small incentives.

The salespeople were asked what incentives were most frequently offered to them by their superior. Again, the respondents could choose three out of seven given answers.

When comparing the *preferred incentives by the salespeople* and the *offered incentives by the superior* a clear discrepancy becomes noticeable (see fig. 4). This discrepancy is especially present with regard to the incentive “*Praise, honest appreciation, being taken seriously*”, “*Career perspectives*” as well as “*manufacturer events*”. Across all age groups of the salespeople additional training programs were most frequently mentioned as an offered incentive.

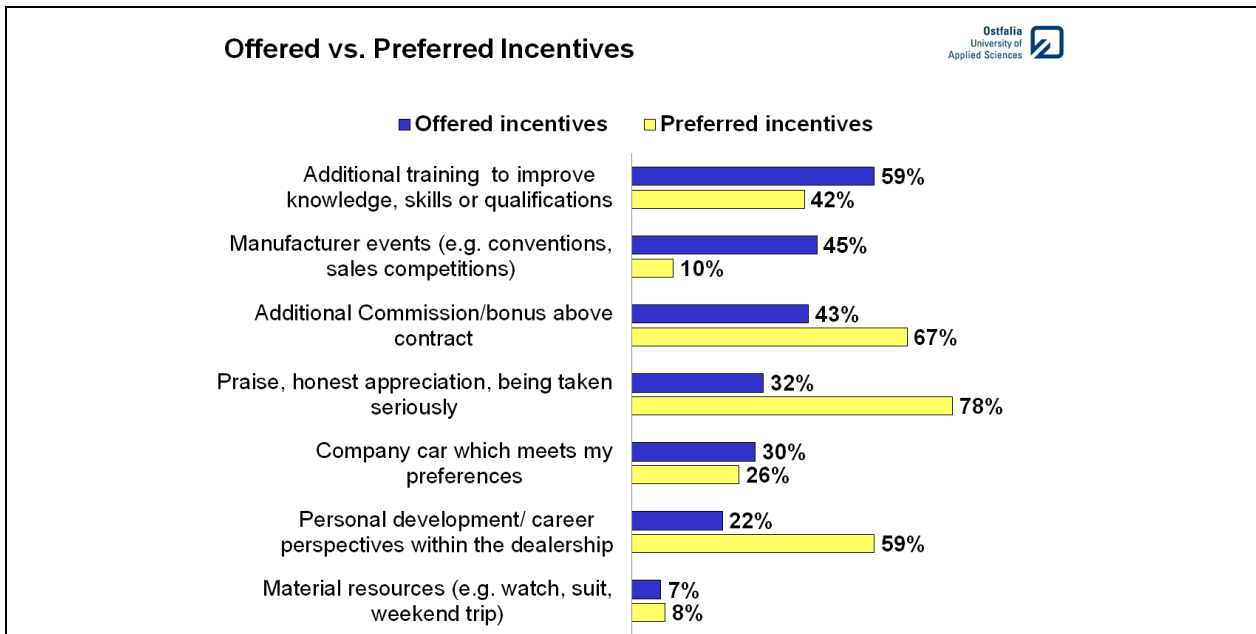


Fig. 4: Offered vs. preferred incentives

Superiors praise too little

Eight out of ten salespeople of all age groups see praise and appreciation as the most important motivational incentive. However, only one third receive praise and appreciation at work. This figure decreases with increasing age and duration of employment. Only 17% of respondents who work more than ten years at the dealership state to be praised, honestly appreciated and to be taken seriously.

Praise is necessary for the self-confidence and motivation of an employee and very positively influences the well-being. Praise is a clear sign of appreciation of the employee. The survey shows that the recognition of the salespeople’s work performance by the superior is insufficient. Only 47% of respondents claim to have been praised for their job performance by the superior within the last two weeks.

Young salespeople are praised more often by superiors

With increasing age of the salespeople appreciation and praise by the superior decreases dramatically. Regarding the incentive praise, 63% of younger salespeople up to 25 years agree or strongly agree that their superiors have praised them within the last two weeks significantly more than an older salesman. With age salespeople feel that they are less praised for their work performance. In the age group 49+, only 37% agree or fully agree with the statement.

Inadequate appreciation of job performance

The appreciation of the work performed by the supervisor is extremely motivating for salespeople. Only 58% of the surveyed salespeople agree or strongly agree with the statement that all employees of the dealership are treated with respect and appreciation.

Higher appreciation of sales performance in smaller dealerships

Respondents of small dealerships (with up to 800 sold vehicles per year) state significantly more often that their work is praised and appreciated, than salespeople working for larger dealers.

The superior's appreciation and recognition of the performance of the salespeople are also reflected in the provision of high-quality staff facilities such as cafeterias and sanitary rooms. Only 42% of respondents said that the employer provides very good staff facilities.

Large dealerships prefer bonuses and commission as incentives

Depending on the size of the dealership it becomes clear that larger dealerships (more than 2,500 vehicles p.a. sold) offer significantly more often bonus and additional commission as a motivational incentive tool than smaller dealerships.

3.3 Evaluation of sellers with high engagement

In the following, the significant differences between committed and non-committed salespeople are examined. Sellers who agree or fully agree to the following three statements belong to the group of committed salespeople:

- *“I can recommend my dealership as an excellent employer to my friends and family.”*
- *“My job content inspires me.”*
- *“The success of my dealership is extremely important to me.”*

51% of all respondents fall into the category of committed salespeople.”

With regard to age and duration of employment, there are no significant differences between committed and non-committed sellers. Although there is the tendency that the commitment increases until the age of 34 years and then slightly decreases. A similar trend can also be observed regarding the duration of employment.

The following aspects also do not define whether a salesperson is especially committed or not; there is no significant difference between:

- male and female salespeople
- branches of manufacturers/importers and authorised dealers
- size of the dealership

The group of committed salespeople can be significantly differentiated from non-committed when it comes to the following points (see fig. 5):

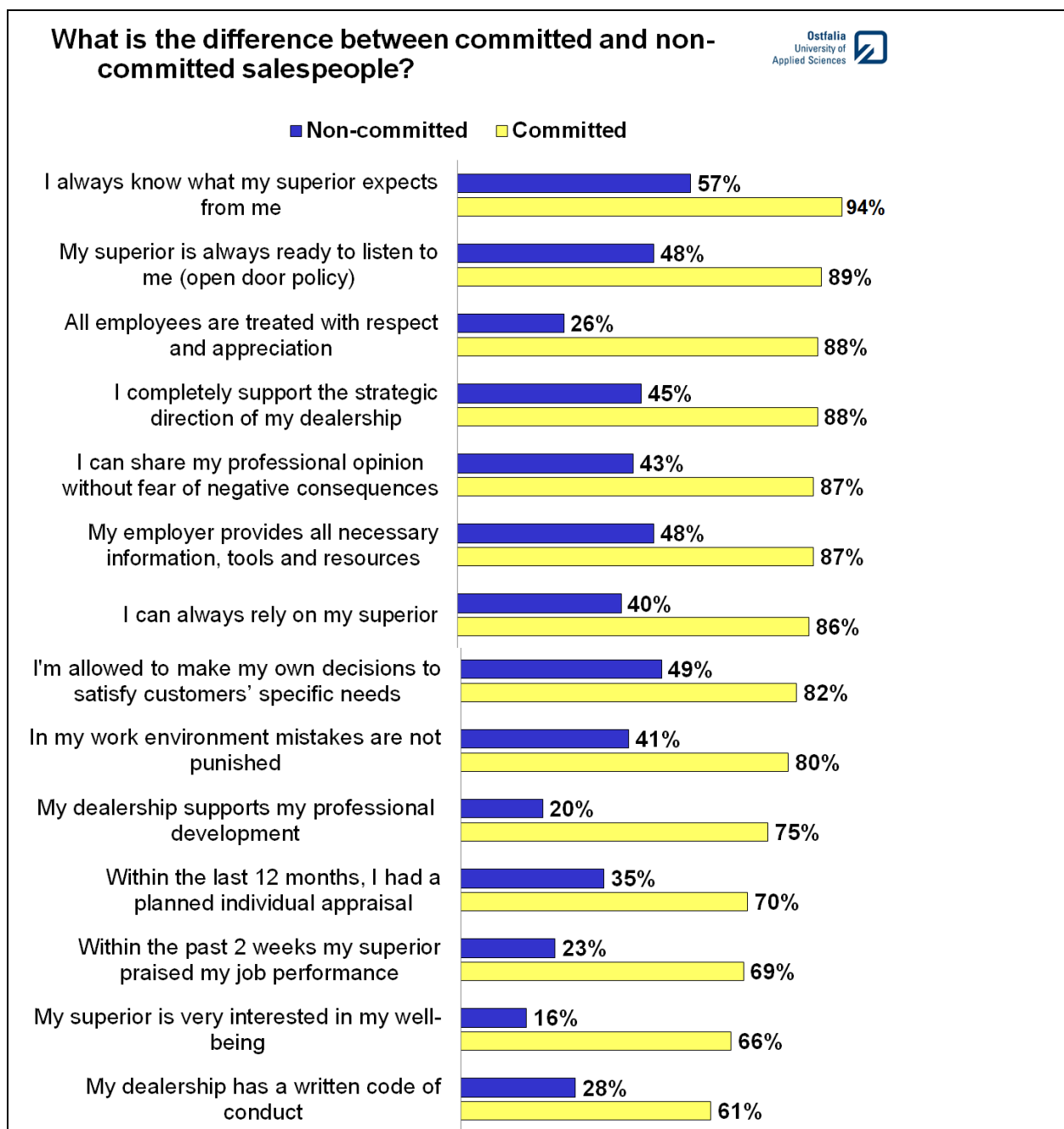


Fig. 5: Difference between committed and non-committed salespeople

Low willingness to quit job among engaged sellers

Only 14% of the committed, but 71% of non-committed salespeople have seriously considered changing their employer in the past 12 months.

The two main reasons why committed sellers consider to quit is the low compensation and the heavy workload and work stress.

Treated with appreciation and respect

88% of committed sellers and only 26% of non-committed salespeople have the feeling of being treated with respect and appreciation. This figure is significantly higher among salespeople in the age group up to 34 years with up to 95%.

Errors are not punished

For the operational success and motivation of employees, the acceptance of errors by the supervisor and an open approach to this is important ("open error culture"). The survey reveals that 80% of committed sellers are not punished for mistakes in their work environment and that learning from mistakes comes first. In contrast, approximately 60% of non-committed say that errors are punished.

Sellers are praised for job performance

Praise has a very strong significant effect on the commitment of the employee. 69% of committed sellers say they have been praised for their job performance during the past 2 weeks by their superior. Only 23% of non-committed salespeople report the same, i.e. that eight out of ten sellers are not praised for their work performance.

Open communication in dealerships

When asked whether the employee can bring his own opinion against the superiors without fear of negative consequences about 90% of the committed compared to 40% of non-committed sellers agree.

Here a great need of action in leadership behaviour is needed. The fear of making mistakes or expressing the own opinion, has a negative effect on the commitment and well-being of the employee.

Superior is interested in the well-being of the seller

The group of the committed is characterized especially by the fact that their superior is very interested in the well-being (work-life balance) of the employees. Only 4% of the committed, but 42% of non-committed salespeople indicate clearly that the supervisor is not interested in their well-being.

The dealership provides good staff facilities

The provision of very good staff facilities (e.g. cafeteria, restrooms) is an important sign of appreciation of the employees' work performance. This criterion is very often underestimated in practice. The study reveals that only 7% of the committed sellers state that their workplace is not supplied with very good staff facilities. In the group of the non-committed this figure is at 40%.

Strong identification with corporate goals

The knowledge about the strategic orientation and identification with this has a significant positive effect on the employees' commitment. The group of committed sellers is in contrast to the non-committed, characterised by knowing the strategic direction of the car dealership (88%) and they also identify with this (84%). 55% of non-committed know and only 45% can identify with the strategic direction.

Have decision-making power

82% of the committed salespeople have been given the discretion to make their own decisions to satisfy customers' specific needs outside the normal working process. This figure is the highest at 94% in the age group 49+. In contrast, every other non-committed seller lacks this decision-making power.

Higher availability of information, tools and resources

Furthermore, it is striking that 87% of the committed salespeople say they are supplied with all the necessary work materials. Committed sellers under 25 years even agree with 100%. In contrast to that, every other non-committed seller answers to be undersupplied with work materials.

Expectations of superiors are clear

As a clear leader communication of expectations of the employee is important. Therefore, regular individual appraisals are of high importance. Almost all committed salespeople (94%) know what their superior expects of them in the job compared to non-committed with 57%. Furthermore 70% of the committed salespeople indicate that the superior conducted a planned individual appraisal with them within the last 12 months. For the non-committed salespeople, this proportion is below 35%.

Salespeople know the dealership's code of conduct

Furthermore, the salespeople were asked if the dealership has a written guideline for the treatment of fellow employees and managers among and with each other. A written code of conduct has a significant impact on the commitment of the seller. Only 45% of all surveyed people indicate that their dealership has implemented a code of conduct. However, it is significant that in the group of committed sellers 61% answer

that their dealership has a code of conduct. In the group of non-committed salespeople 28% state that there is a code of conduct in the dealership.

Strong identification with the code of conduct

At those dealerships that have a code of conduct 85% of the committed salespeople know the content. Moreover, even 92% of committed salespeople who know the content personally identify with it. This is significantly higher compared to the group of non-committed salespeople. Of the latter, 64% know the code of conduct and 55% identify with it. When it comes to superiors who are role models for living this code of conduct 81% of the committed and only 41% of non-committed agree.

High reliability of the superior

Another significant influence on the commitment of sellers is the high reliability of the superior. 86% of the committed but only 40% of non-committed salespeople can rely on their superiors.

Less pressure on the private life of younger salespeople

There is a significant negative correlation between commitment and the influence of the job on the private life. The higher the commitment of the salespeople, the less they feel that the job has a very strong negative impact on the private life. Only 34% of the committed, but 60% of non-committed employees indicate that their personal life is negatively affected by the job. Committed salespeople under 25 years have the lowest figure with 21%. However, it is striking that in the group of committed salespeople this value increases strongly with age of the salespeople. In the age group 49+ every other committed salesperson says that the private life is very negatively affected. This figure is almost as high as that of non-committed salespeople. Here special care of the supervisor is very important.

Younger salespeople have fewer symptoms of burn out

Only 33% of the committed salespeople compared to 64% of non-committed felt symptoms of burning out within the last 12 months (e.g. fatigue, exhaustion, insomnia, feeling of failure, mood swings). It is also noticeable that this figure increases significantly with the age of the committed salespeople. In the age group up to 25 years only 25% and in the age group 49+ almost every other salesperson shows signs of burn out.

In the group of committed sellers who have to burn out symptoms, every other seller complains that their job affects their private life negatively. Another but the less significant reason why employees think about quitting is the manager's leadership style (e.g. lacking appreciation).

Promotion of the salespeople's professional development

With regard to the promotion of the sellers' professional development (e.g. training, coaching) beyond the requirements of the importer/ manufacturer the difference between committed and salespeople with low commitment is especially clear. 75% of the committed and only 20% of non-committed indicate that the dealership promotes their professional development.

3.4 Analysis of the sales group with a high willingness to quit their job

In the questionnaire, the salespeople were asked if they have been seriously thinking about changing their employer in the past 12 months. A seller who affirms this question is then asked what their reasons for this are (multiple answers were possible). In the following the group of sellers with high termination willingness is characterized.

Across all respondents four out of ten sellers have been seriously thinking about changing their employer within the last 12 months. Of these only 8% are under 25-year-olds. The willingness to change the dealership increases with age of the salesperson. Salespeople of the age group 35-48 years are most likely to quit. However at the age of 49+, the termination willingness then decreases significantly to around 22%.

The main reasons for all respondents to change the employer are:

- Pay too low, (75% of responses)
- Manager's leadership style, (e. g. lacking appreciation), (67% of responses)
- Workload too high, (49% of responses)
- Lack of career opportunities, (48% of responses)

Both groups, sellers

- a. With a willingness to quit (non-loyal sales group)
- b. not considering to quit (loyal sales group)

are now compared.

The willingness to quit the job is higher if:

No respect and no appreciation of job performance

Only every third salesperson of the non-loyal sales group says that he is treated with respect and appreciation, compared to the loyal salespeople with 78%. Excellent staff facilities are a sign of the superior's appreciation of the salesperson. Only every fourth salesperson of the non-loyal sales group states that his employer provides very good staff facilities.

The great fear of making mistakes

Almost every other salesperson of the non-loyal sales group does not express his own professional opinion because negative consequences are feared. These employees also indicate that mistakes are punished in their work environment and that the superior is not ready to listen to them.

No praise and honest recognition

Nearly 80% of the salespeople of the non-loyal sales group deny having been praised for their work performance within the last 2 weeks by their superior.

No reliability of the superior

An unusually large difference can be observed in the evaluation of the reliability of the supervisor. Only four of ten non-loyal salespeople indicate that they can fully rely on their superiors.

No professional development

Another important reason why salespeople are dissatisfied is the lacking support of the sellers' professional development (e.g. training, coaching) by the dealership, beyond the requirements of the importer/manufacturer. Nearly 80% of the salespeople of the non-loyal sales group are unsatisfied with the professional development possibilities.

Symptoms of burn out

While only 32% of the loyal salespeople feel symptoms of burn out, the amount of the non-loyal with these symptoms is more than twice as high with 71%.

Weak correlation with the size of the dealership

There is only a very weak correlation between termination thoughts and size of the dealership. Furthermore, there is no significant difference which can be determined whether the non-loyal sellers work at authorized dealerships or branches.

Most loyal salespeople at Mercedes

Additionally, no clear statement can be made regarding the willingness to quit the job depending on the car brand, with the exception of Mercedes. Here is the percentage of respondents thinking about changing the employer is by far the lowest with 23%.

3.5 Evaluation of the salespeople with signs of burn out

The phenomenon of burn out is also in the automotive industry of high relevance, as this job stress has negative impacts on the performance and quality of the performed work. The group of salespeople claiming to suffer from symptoms of burning out because of work stress (e.g. fatigue, exhaustion, insomnia, the feeling of failure, mood swings) has been examined. The following points are characteristics for salespeople with burn out symptoms:

Excessive work stress

It is remarkable that almost every other salesperson already indicates, to have symptoms of burn out because of work stress (e.g. fatigue, exhaustion, insomnia, feeling of failure, mood swings). With increasing age the feeling of being “burned out” intensifies. Among salespeople up to the age of 24 36% are affected by burn out while even 55% of sellers over 49 years suffer from it. By trend, with increasing age and longer periods of employment the rate of people with burn out symptoms increases, too.

Managers pay too little attention to the well-being of employees

In the automotive retail industry, many managers underestimate the importance of mental and physical health and well-being of their employees. The difference between these two groups becomes even clearer, when the answers about the care of the supervisor are compared. Every third seller who shows burn out symptoms clearly indicates that the superior is not interested in his well-being. This figure is three times higher than in the group of sellers without burning out symptoms.

Appreciation is too low

Only one out of five exhausted salespeople say that his work performance is honestly recognized, praised and valued. They feel more often than average that their superior is not ready to listen to them (open door policy). In addition, every other salesperson cannot share his professional opinion with the superior without being afraid of negative consequences. On the other side eight of ten sellers without burn out symptoms agree to have an open door policy in their dealership.

Not enough praise and personal appraisals

While 58% of respondents without exhaustion indicate that they have been praised within the last two weeks by their superiors, this figure is only at 35% for those with symptoms of burn out. In addition, the group of sellers who feel burned out does not have individual appraisals as regular as the group without burn out symptoms.

Missing code of conduct at the dealership

Dealerships without a code of conduct have significantly more employees with burn out symptoms. Salespeople without the feeling of burn out state significantly more than the superior is a role model for living this “code of conduct” than those who suffer from exhaustion.

The unreliability of the superior

Every other seller with burn out symptoms has the feeling that he cannot rely on the superior.

Additionally exhausted sellers state above average that their dealership does not give them enough career opportunities.

The increased willingness of quitting a job

62% of sellers with burn out symptoms have already considered quitting their job at the dealership, whereas only 24% of the sellers without signs of burn out had the same thoughts. The most important reasons for termination are an excessive workload and the manager’s leadership style (e.g. lacking appreciation). 72% of the exhausted but only 24% of the employees without burn out state that their job negatively influences their private life to a significant extent.

4. Conclusions and Management Implications

Human resource management in automotive retailing in Germany shows the following weaknesses:

- **"Information deficit"**: An important element for employee engagement is the consistent communication of goals and strategies. Only if the employees know which goals and strategies the management are pursuing, a high degree of identification with the company is possible. The investigation shows, however, that one in three sellers is not completely supplied with information.
- **"Caring Deficit"**: Only 42% of salespeople say that their supervisor is very interested in their health.
- **"Angst Culture"**: Only 61% of respondents are not be punished for work mistakes. By implication, this means that around four out of ten employees who make mistakes in the work process are punished by the supervisor. On the question of whether the employee can contribute his own opinion to the supervisor without fear of negative consequences, about every third salesperson does not agree.
- **"Unreliability"**: A good third of respondents say that they cannot always rely on their superiors.
- **"Poor acknowledgement"**: The vast majority of surveyed sellers do not feel treated with respect and appreciation. Praise as a clear sign of appreciation for the employee is not used enough by executives. Supervisors underestimate the huge impact of praise on employee motivation. Only 47% of respondents say they have been praised by their supervisor for their work performance within the past two weeks.

Managers should implement the following activities in order to motivate and engage the sales team:

1. Salespeople are treated with appreciation and respect.
2. Salespeople are allowed to make decisions.
3. Mistakes are not punished; praise your people.
4. There is an open, "fearless" communication culture.
5. Supervisor expectations are clear.
6. There are regular employee appraisals.
7. The supervisor is interested in the well-being of the seller.
8. The executive promotes professional development and is reliable.
9. There is a code of conduct in the company that is actively demonstrated by the supervisor.
10. The dealership has good social rooms.

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