

# Women impacting dealerships

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#### LEADERSHIP TEAM



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## Why a diverse team is a smart investment

Supporting diversity in the workplace is a passion of ours at Bank of America.

We've made a corporate commitment to a diverse and inclusive environment around the world, holding our leaders accountable for building diverse teams. Our global workforce is 50% women, including 33% of our Board of Directors and 32% of our management team.<sup>1</sup> We know it's not just the right thing to do, but also a smart investment; we recognize that we're stronger because of that diversity.

We also know that the conversation about the role of women in the auto retailing industry is not a new one. But we're pleased that the discussion has become a mainstream topic in industry news and at meetings. Now the challenge is to move from discussion to solutions — and that's where we hope to help.

Each dealership needs to take a look, on an individual basis, at what it's doing to increase diversity and support women **employees** — and why those efforts are or are not succeeding. If your dealership isn't successfully recruiting women, perhaps it's time to try something new. And if women are applying for jobs but your dealership isn't hiring them or retaining them after they're on the job, ask what's causing that gap. Is it the structure of the jobs compensation plans, schedules or

What we hear from our clients, and what we know from our own experience, is that there are two key steps in building a diverse workforce. First, owners and corporate leaders need to make diversity a priority and set expectations with department managers for recruiting, hiring and supporting women employees. Second, it's important to find the right channels and centers of influence to help in the recruiting process. That may mean thinking outside the box and beyond the usual options.

### benefits — or the culture or atmosphere in the store that isn't meeting women's needs and expectations?

Although each dealership's solution will be different, there's one thing we all know: Diversity of the workforce drives diversity of the culture and allows any company to better address the everchanging needs of today's consumer.



OVERVIEW

# A hire calling

### Dealers know they need more women in the showroom: Now action must follow attitude.

Historically a field dominated by men, auto retailing has been making incremental progress toward more gender balance in the past decade. The 2021 National Association of Automobile Dealers (NADA) Workforce Study found small yearly increases in the number of women working at dealerships — although the percentage of female dealership employees decreased slightly, from 34% in 2019 to 30% in 2021, according to the June 2021 Cox Automotive "The State of Dealership Staffing" report.<sup>2</sup>

And, according to the 2021 NADA study, only 5% of dealership general managers and around 1% of service technicians are women. Clearly, work remains to make auto retailing both a place where women want to look for jobs and a desirable destination for a career, industry analysts and experts say.

Distribution of women in U.S. dealerships<sup>3</sup>



The good news is that, inspired by the presence of industry leaders such as General Motors CEO Mary Barra and fueled by research including *Automotive News*' Project XX, the dealership community is actively discussing how to increase the presence of women in the business.

"What's changing is that we're talking about it," says Julie Brinkman, former chief operating officer for Hireology, a Chicago-based Recruitment CRM for Automotive Retail. "(Before)... we weren't really even talking about the role of women in the industry."

Agreeing with Brinkman is Fleming Ford, former vice president of people analytics at ESI Trends, which conducts the NADA Workforce Study. "Almost any dealer will say, 'I want to hire more women,'" Ford says. "There's a universal belief that women bring something different to the table and that in particular the customer base likes to see women at the dealership."

"But too many dealers aren't yet doing it with a lot of intent. Because of the decades of male domination, as a leader you have to do more, and with more deliberation, than simply talking about it." But dealers are coming to understand why hiring and supporting women is a business priority.

<sup>2</sup>Source: https://www.coxautoinc.com/wp-content/uploads/2021/06/2021-Dealership-Staffing-Study-Summary.pdf. <sup>3</sup>Source: https://njcar.org/wp-content/uploads/2022/03/2021-NADA-National-Regional-Trends-in-Compensation-Retention.pdf. "Investing in women — allowing and giving women opportunities for careers and leadership roles — is not only the right thing to do but also a really smart investment in the business," says Marisa Carnevale-Henderson, Bank of America market executive for Dealer Financial Services. As of February 2020, there were 13 million women-owned businesses in the United States, according to the Women's Business Enterprise National Council (WBENC).<sup>4</sup>

Says Carnevale-Henderson, "If those women walk into a dealership and see only men, especially on the dealership floor, it just doesn't mirror their world at large. It's critically important that dealerships mirror the marketplace in terms of who's making decisions for households today."

"It's no secret that women make the majority of household decisions about what car to buy and when. Every firm and every dealer, every company in the U.S. needs to do a better job of recognizing who the buyer really is and making that buyer feel comfortable in the store," says James Cockey, Bank of America market executive for Dealer Financial Services.

Brinkman notes, "As a woman, if I see women working at the dealership, it may well be that my defenses are lowered, I am more confident that the dealership understands women, will understand the fact that I have a family, will understand my needs as far as a vehicle goes." In addition, making sure women feel comfortable when applying for dealership jobs is critical because "we are in an environment where a labor shortage is a real thing," Brinkman says. "For all intents and purposes, you're cutting out half the job-seeking population if the environment in a dealership is not conducive to women working there."

Dealerships can take some basic first steps to help even the playing field for women. For instance, Ford says ESI research for NADA shows that turnover is higher among women at dealerships, perhaps in part because women are paid less than men for doing the same jobs.

Some dealerships, Ford says, make a deliberate decision to push for a workforce that's 50% or more women, changing compensation and work schedules to create "career paths that are more attractive, manageable and understandable," she says.

But in addition, Ford says, industry leaders need to address the long-standing "boys club" culture that still permeates many dealership sales and service departments. "There are great men managing and working in dealerships, but sometimes we all have blinders on," she says. "Unconsciously, we're tolerating behavior that would make a woman uncomfortable. Unfortunately, even if you're tolerating the idea of 'guys being guys,' as a leader, you're reinforcing the problem." The problem can affect a dealership's ability to attract not only female employees and customers. "I'll venture to say that a hostile work environment affects not just women but men, too," says Hireology's Brinkman. "If the sales floor or the servicebay culture verges on hostility, you're going to lose good men as well as women from your dealership."

Candice Crane, an independent consultant and former dealership executive, says it's time to address the issue.

"I've talked to a lot of dealer principals who want more women on the showroom floor or in leadership positions — there's an understanding that this is beneficial for the business," Crane says. "There is an appetite to improve the diversity in the industry. And with so many changes happening in auto retailing — from F&I to online sales and technology — now is the time to also make these changes at the dealership."





MAKING THE WORKPLACE BETTER

## What women want

### In many cases, what men want

### Creating an inclusive dealership

- Take an honest look at your dealership
- Address the myths
- Restructure work and pay
- Make benefits competitive
- Establish your reputation as an inclusive employer
- Write female-friendly job descriptions
- Consider adding a human resources department
- Support women employees
- Publicize female staff
- Promote industry careers

### Here are suggestions for your dealership.

What can a dealership do to make its workplace, culture and job offerings more attractive to women — and at the same time help retain the women who currently work there? Auto retailing experts offer concrete suggestions.

## Take an honest look at dealership operations and culture.

"First and foremost, dealers need to make an objective assessment of their sales and service culture," says Hireology's Julie Brinkman. "That includes looking at things like the language used at the dealership, the jokes that are made, and asking, "Would a woman be comfortable working here?"

Brinkman suggests asking employees for their insights, either by using anonymous surveys (on paper or via tools such as Google Forms or Survey Monkey) or one-on-one private conversations. **"If you're the dealer principal and feel that your presence in these conversations might be intimidating, tap one of your managers to sit down with employees," she says.** 

Candice Crane agrees. "Start by assessing what's working and what's not by conducting a qualitative analysis of the team," Crane says. "Spend time one on one with team members, perhaps talking with a few people each day for a month, and intensely listen. You'll find things you're proud of and also things you need to address."

### Address the myths of gender bias — with everyone.

Discuss with managers and staff the persistent and sometimes subconscious biases against women in the workplace and at dealerships in particular. Some dealers and managers, for instance, have the perception that their staff includes an acceptable percentage of women. But in reality, none are in leadership or working with customers. "Dealers will say, 'I have a lot of women working for me'—but they're in the BDC or in the back office. That speaks to how people see the capabilities of women and an unconscious bias that exists," says Jody DeVere, founder of askpatty.com, which offers automotive advice to women. "For instance, there is still a myth out there that men are better salespeople and

are better at math and numbers. and women sometimes believe these myths themselves. It doesn't come from the auto industry but is an unconscious bias that needs to be addressed."

### Restructure work schedules and pay plans to appeal to a more diverse workforce.

"It's old information by now that women and millennials and centennials have a different value system about work/life balance," DeVere says. A six-day week working 70 hours on commission, so common at the stereotypical dealership, is less appealing to younger people and especially women — and men — with family responsibilities. Flexible scheduling, including rotating weekends off, and team selling can meet employees' needs and also maintain dealership profits.

"No one wants to work bell to bell anymore," says ESI Trends' Fleming Ford. Says consultant Crane, "Roles can be designed and compensation plans can evolve to include more stability, more rewards for holistic contributions to the business, rather than the 'What have you done for me today?' approach."

Dealerships should consider compensation plans that are not purely variable, offering more base pay rather than straight commission, Crane says. Says Hireology's Brinkman: "The desire, especially among women but millennials as well, is for a pay plan offering consistency, rather than the feast-or-famine situation of commission pay."



### Make sure employee benefits are competitive.

If dealerships want to establish a pipeline of job candidates and also retain current employees, they need to be competitive with businesses that are hiring people away from the industry, DeVere says. That means providing appropriate healthcare plans as well as investing in employees through benefits such as paid time off and retirement plans including a 401(k) with matching contributions.

"We are in an environment where a labor shortage is a real thing; unemployment is at historic lows," Brinkman says. "There is a lot of competition for job seekers, meaning dealerships need to work hard to attract the best people."

### Market the dealership and its available jobs to the target audience.

Brinkman says the career site also should highlight other things that matter to potential job applicants, including work schedules and benefits, as well as the dealership's investment and involvement in the community.

"A dealership needs a strong employment brand," Brinkman says. "That includes a career site that features a diverse group of employees who work at the dealership. The career site should provide stories about the career paths available to job seekers, using the stories of those real employees."

### Write female-friendly job descriptions



Expand your pool of applicants

### Write job descriptions that are inclusive and appeal to a diverse group of job seekers.

"Consider the words you use," Brinkman says. Some websites and apps will evaluate a job description, pinpointing words that are exclusionary or discriminatory or simply unappealing to certain demographic groups. For instance, terms such as "Ione wolf" or "sales ninja" are not only trite and overused but also can turn off women and other job seekers, Brinkman says.

In addition, she says, a dealership should consider the requirements included in a job description. For example, Hireology has found that **women are more likely to apply for jobs only when they feel 100% qualified, while men are more likely to take a risk.** Given that, should a job description ask that an applicant have previous dealership experience? Is that a truly necessary requirement for the job?

"Think about the requirements in a job description," Brinkman says. "Are they shrinking or expanding your pool of applicants?"

## Consider establishing a human resources department or hiring a dedicated HR executive.

An HR department can bring new employees on board, monitor and schedule training, and help put policies in place.

Brinkman says **Hireology's research indicates that a** seamless employee orientation is one of the most important things a company can do to retain that worker. That includes a well-defined and well-managed orientation, she says, with little "wow" moments to help new staff members feel welcome in their first weeks. It also helps to assign a buddy — an informal "go to" person — to each new employee, someone who can help answer questions and talk over any difficult situations.

In addition, says askpatty.com's DeVere, "Having HR policies in place and an HR professional on staff can help women in particular when they need to handle awkward or uncomfortable situations." It makes good business sense, too. In the current environment, having professional HR practices in place and regularly monitored helps mitigate risk, DeVere says.





"The best thing we can do is to start to build strong women from the moment they're born."

Kelly Ross Chief Financial Officer Morgan Auto Group Tampa, FL

## Dedicate extra effort to supporting new female employees.

Ford of ESI Trends suggests that because the number of women working at a dealership is generally so low, the store should consider spending extra time and effort on new hires. "If we are bringing women into the business, we have to do extra from the beginning to support them," she says.

Ford also recommends making women part of the hiring process and providing a mentor for women who are new on the staff. The mentor doesn't need to be another woman but someone to talk and consult with.

"The onboarding needs to be different, reflecting the fact that turnover is higher for women at dealerships," she says. "They often don't reach that first year on the job."

In addition, because so relatively few women are in leadership positions, Ford suggests "overcelebrating" the successes of female employees and consciously looking to find and develop women who can move into leadership roles.

## Publicize the role of women on your staff.

Besides sharing stories of female employees on the dealership website, Ford suggests featuring them in marketing and on social media to send a message to both staff and customers. "How about ads that say, 'If you want to get your car serviced, ask for Kim or Diane,'" she says. "Position the presence of women employees as part of your dealership's culture, and celebrate your successes with your customers as well as your staff."

Send dealership and dealer group leaders — both men and women — to conferences and presentations that discuss the issues of women in the auto industry.

Such conferences tend to attract women. Experts argue that industry leaders and dealer management, who are often men, need to hear what's being said from the podium and in roundtables.

"Men need to come to these conferences, too, to hear from the women in the industry and move the discussion forward," DeVere says.

### Promote the dealership and the industry as a place where women are welcomed and can make a successful career.

"For all the millions of dollars in advertising spent by dealerships, you don't often see ads or videos about what an amazing industry it is to work in," DeVere says. "School counselors aren't sitting down with high schoolers boys or girls — to suggest careers in the auto industry."

### "It seems many come to the auto industry by accident, yet there are so many exciting careers available: salespeople, techs, engineers, finance, marketing, digital."

For individual dealerships or dealer groups, DeVere and others suggest a proactive approach: attending career days or recruiting events at high schools, colleges and vocational schools and supporting tech classrooms with donations, tools, scholarships or internships.

"We need to do a better job of advertising the opportunities in the industry, including tech positions, not just to women but to everyone," Ford says. "Where else can someone make such a good living without taking on a lot of college debt?"





WHAT WOMEN CAN DO FOR THEMSELVES

## Navigating the dealership

### Strategies for making industry inroads

In many ways, it's an exciting time to be a woman in the auto industry. From General Motors' Mary Barra on down, qualified women are highly sought after for positions at automakers and suppliers and also in auto retailing.

But at the same time, women remain a minority at dealerships. Women were 21.1% of automobile dealers and 9.0% of automotive repair and maintenance employees in 2022, according to the U.S. Bureau of Labor Statistics.<sup>5</sup>

"This is a sector that is still dominated by men," says Marisa Carnevale-Henderson at Bank of America. "But women cannot be intimidated or afraid of it. because **there is so much** potential for women in the industry. We hope they will embrace the opportunities and help to pave that path for other women in the auto industry."

Industry experts and leaders offer these pieces of advice for women interested in making or furthering a career in a dealership.



<sup>5</sup>Source: https://www.bls.gov/cps/cpsaat18.htm.



#### WOMEN IMPACTING DEALERSHIPS

### Set your own goals and objectives, and stick with them.

"People like to talk about women having to develop 'a thick skin' to survive in this business. I want to find a different way to say that," says Julie Brinkman at Hireology. "Whatever the industry, have your goals be clear and well understood — a set of goals and objectives, a vision of where you see yourself in the next few years. That helps create the doggedness to persist in challenging situations." Echoes Kelly Ross, executive vice president and chief financial officer for Morgan Auto Group: "Set your goals high, and don't take no for an answer."

### Build a support network.

Jody DeVere, founder of askpatty. com, says it's critical for each woman in the industry to build a network of other women to talk and consult with that includes peers as well as mentors.

"Yes, men can be mentors." DeVere says, "but it's still important to find other women who have the experiences you have, who are in the same or similar roles in the industry — as well as more senior women who have been there before you and can help you avoid the pitfalls." DeVere calls this building a "personal board of directors."

To find and connect with other women in the industry, she recommends joining industry groups and attending conferences like Women in Automotive or the Automotive News Leading Women Network. Additionally, Brinkman says, every woman working at a dealership should work to build a support system within her company.

### **2** Self-promote — be an advocate for yourself.

With so few women in dealerships, they can't count on their female peers for support, especially in day-to-day work matters. Says independent consultant Candice Crane, "I love the idea of mentorship. but honestly, we don't have a large enough percentage of women in the industry to be mentors. Most women in their stores. even those in management positions, are all alone. They might have mentors in the industry but not at their store. "What that means is that a woman executive will need to be an advocate for herself at her store. Part of that is going to the GM or the owner when tough situations come up — not being afraid to put your foot down and advocate for your perspective."

### Be the best employee or manager possible.

Workplace experts say that gaining respect and authority can depend on mastering your job, and knowing your industry and company. "Be strong. The first thing, the most important thing, is to know your business," says Carnevale-Henderson. "Be the best at whatever role you are in." Beyond that, DeVere says, continue honing skills and gathering knowledge. "Take advantage of any training opportunities. Understand your products and keep learning," she says. "Don't work in a vacuum."

"Every woman should develop a strong professional relationship with her manager and others on her team at the dealership—the people who can help make sure she has the resources she needs." DeVere says.

### **Be confident** ) in your success.

Says Brinkman: "The advice I give women at Hireology is: Don't apologize for who you are or having an opinion and doing well. You need to give yourself the power that you want and don't rely on anyone to bestow it on you, and certainly do not let anyone take away your power."

Says Carnevale-Henderson: "Being a successful woman in the auto industry can really make a difference. That sort of role model can help inspire other women who haven't thought about this industry to apply for jobs and consider a career here. "It's an exciting and challenging time to be in automotive because of all the changes in the business. And there's a real opportunity for strong women to pave a path for other women in this business."

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"I found the industry intriguing from the beginning."





Kelly Ross Chief Financial Officer Morgan Auto Group Tampa, FL

Kelly Ross says she joined the auto industry by accident. In December 1985, when her sister-in-law didn't show up for her new job at a local Maryland auto dealership, the store called and Ross answered. "They said they needed someone to answer the phones, and I thought, 'I can do that.' So I took the job. And I never looked back," says Ross.

"I found the industry intriguing from the beginning." Today, Ross is chief financial officer for Morgan Auto Group, a Florida dealer group with 62 retail locations selling 21 makes of new vehicles from Kia to Lamborghini, spanning the Sunshine State from Tallahassee to Ft. Lauderdale.<sup>6</sup> Of Morgan Auto Group's leadership team, 33% (7 of 21) are women.<sup>7</sup>

After that first dealership receptionist job, Ross moved to Florida. Thinking she wanted to continue working at a dealership, she went to buy a car. "I made it part of my negotiations — I said, **'I'll buy a car if you give me a job.'** They told me they were looking for a receptionist, and handed me an application," she says. She decided she wanted to learn the dealership business inside and out, but as a single mom found the hours difficult. "One of the things

that deter women from dealership jobs is the number of hours we put in — both the early, 6:00 a.m. starts and the late nights, in sales and in fixed ops," she says. "Luckily I had a supportive family who could cover for me with my son."

By 1988 Ross had moved into accounting, and in 1992 was hired as controller for a Georgia dealership. She then spent four years at AutoNation before joining Morgan in 2005. When asked if she has found it difficult to be a woman in the dealership industry, she says she never really thought about it as she climbed the corporate ladder. "I was just raised that way, not to see gender as a barrier. My parents said I could do anything I set my mind to do," she says. "Honestly I didn't realize we were such a minority in the industry until I was at a higher level, and saw the lack of women around me and the lack of opportunities for women."

But today, she says, things are improving. **"The whole notion of what** a millennial wants from a work environment has enlightened our industry, and that is changing the work environment for women as well," she says. Younger employees are asking for a better work/life balance, she says, as well as a more reasonable 40-to-50-hour workweek and more predictable (less commissionbased) pay plans. **"We are beginning to understand that maybe** we can't keep expecting the same things out of employees that we have for the past 30 years," she says.

Ross says if she could contribute one thing to the women of the dealership industry, she'd like to start an industry group specifically designed for younger women. "The best thing we can do is to start to build strong women from the moment they're born," she says. "From the time they're in elementary school, through high school and college, we need to keep telling them there is nothing they can't do."

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