

Utah Auto Dealer

Women's Perspective

Are you listening?
page 16

How
Confident
and Engaged
Employees
Can Improve
Profitability

page 10

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Baxter Howell
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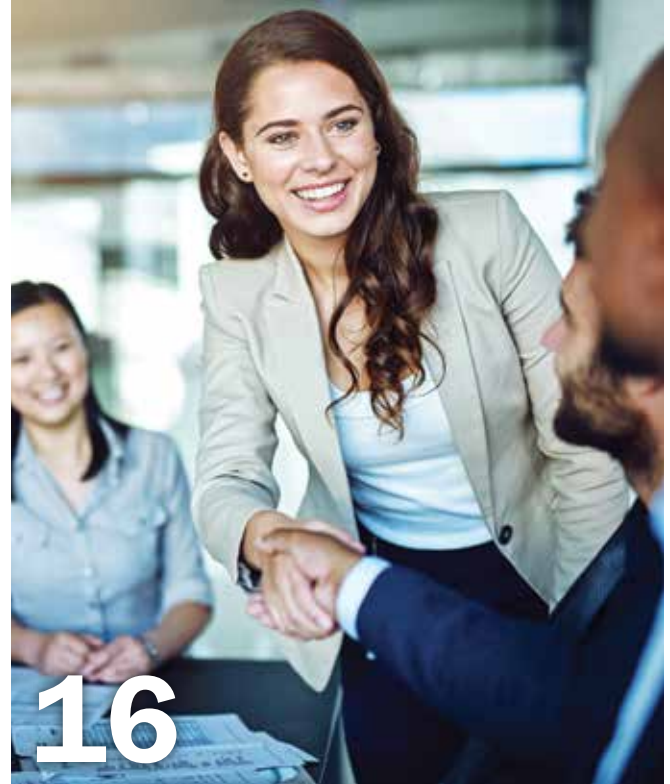
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CONTENTS

PUB. 4 2022 ISSUE 2



3 EXECUTIVE DIRECTOR'S MESSAGE
KEEPING EMPLOYEES IN OUR
DEALERSHIPS

4 GOOD WHEELS GOLF TOURNAMENT

8 RETAINING BY TRAINING

10 HOW CONFIDENT AND ENGAGED
EMPLOYEES CAN IMPROVE
PROFITABILITY

13 HOW TO PREPARE TODAY FOR THE EV
CUSTOMER OF TOMORROW

15 COMBATING CATALYTIC
CONVERTER THEFT

16 WOMEN'S PERSPECTIVE
ARE YOU LISTENING?

20 HOW DEALERSHIPS CAN COMPLY WITH
THE REVISED SAFEGUARDS RULE

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 THE newsLINK group



Craig Bickmore, Executive Director

Executive Director's Message NCDU

Keeping Employees in Our Dealerships



Today's business environment may be the first to include five different generations working side by side toward shared organizational goals. Many of our Utah dealers have some expertise in this, as many dealerships are family businesses. But for the first time in history, workplace generations have moved into the rank and file of employees, and as a result new challenges are emerging.

Adopting a management strategy that addresses the distinctive characteristics of different generations in the workplace can allow dealerships to harness the respective strengths of their workforce and better compete in the new world of "how to we attract and retain talent."

Today's workforce, in many organizations, looks like this:

- Traditionalist (76-99 years old)
- Baby Boomer (57-75 years old)
- Generation X (41-56 years old)
- Millennial (26-40 years old)
- Generation Z (25 years old and younger)

The generational gap in the workplace is, broadly speaking, the difference in behavior and outlook between groups of people who were born at distinctly different times. Recognizing that there's no one-size-fits-all approach to managing multiple generations in the workplace, it's clear businesses need to adapt as their workforce changes and grows. So how do we do that? Well, there's all sorts of

information that can be researched on that topic, but here's the thing, there are some workplace activities that speak to all generations, educational opportunities and team building events.

People like to learn and grow. Investing in your staff is something that will reach across all generations in your dealership.

This issue of our magazine focuses on the importance of training your employees not just to improve skill sets, but also as a tool to motivate, engage and show value. Staff who feel valued are more motivated and productive than those who don't.

I think it's clear that as we dealers navigate this new workplace arena, we need to use all the tools at our disposal to attract and keep valued employees. NCDU offers training opportunities, and we hope that you will take advantage of these programs.

We also just recently held our annual Good Wheels Foundation golf tournament, and as you can see by the photos, the turnout was wonderful — generational, in fact! It's events like these that also provide some valuable social opportunities for your staff. We want to thank all those who participated — dealers and sponsors alike. We can't host events like this without the amazing support of all the participants.

Thank you!

Good Wheels Golf Tournament



The New Car Dealers of Utah Association created Good Wheels to assist with the charitable giving of our generous dealerships.

Our local automotive dealerships are connected to their respective communities and committed to supporting them. They support many good causes, from Little League baseball to community initiatives that reach the poor and needy. They make these contributions every day, whether in the public eye or in the quiet of anonymity. The Good Wheels Charitable Foundation is the NCDU's way to support our dealers' community giving with one-time donations for emergencies or catastrophic events that have impacted the lives of Utahns when immediate assistance is needed.

The Good Wheels Charitable Foundation also supports the brave men and women of the Utah Highway Patrol and their programs and special initiatives. Specifically, Good Wheels helps facilitate DUI Blitz Donations, which helps pay overtime hours for extra Utah Highway Patrol troopers. These hours are used during special DUI Blitz patrols that put additional troopers on patrols to catch drunk drivers. These donations of \$5,000, 3-4 times a year on holidays like New Year's Day and Labor Day, put 20 additional troopers on our roads per Blitz and help save lives.

The NCDU's annual Good Wheels Golf Tournament is the foundation's main fundraiser, and since its inception, has donated over \$325,000 to charitable causes here in Utah. ◀





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Looking for a New Employee Retention Strategy?

Thought Performance Training is the answer.

NCDU offers signature **Thought Performance Training** that has key components to help your employees thrive within their work environment.

Employees learn to identify limiting or incorrect beliefs that have created barriers to performance and goal achievement and go on to excel at their job.

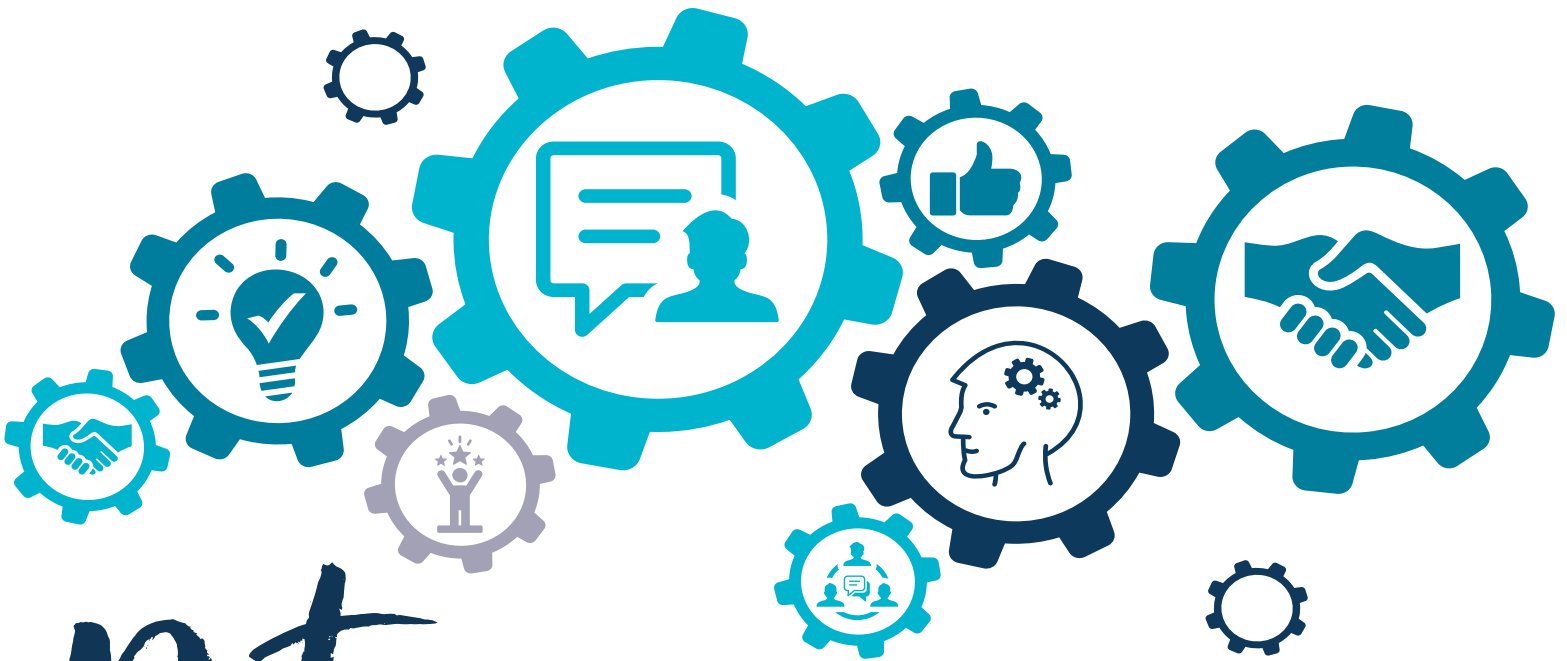
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Dealers who invest
in their employees
create a virtuous
circle that improves
their dealership's
bottom line.

– Craig Bickmore

To learn more about enrolling your employees in the **Thought Performance Training**, email Craig Bickmore at craigb@uada.com.



Retaining by Training

The pandemic is the current measuring stick used to determine the U.S. labor shortage. Experts have classified the pandemic's impact as the biggest employment catastrophe since the Great Depression. More than 30 million people were unemployed at the pandemic's height, and more than 120,000 businesses closed temporarily. That statistic was followed in 2021 by a surge of 3.8 million new jobs, but the surge in jobs wasn't enough to compensate for the number of lost employees. Approximately 60% of the jobs that disappeared during COVID came back, but the remaining 40% did not.

The takeaway is simple: the U.S. currently has more jobs than it has people to fill them. And that's a problem for every industry. Several factors are to blame. Baby boomers were well on their way to retirement before the pandemic hit, and many people chose to move up their retirement because they saw it as a great time to step away from work. However, some regretted that retirement decision, especially when it proved less fulfilling and they were not as financially secure as they had hoped. Many people looked at their lives and decided it was time to change directions. Also, don't forget that over a million people have died from COVID and its variants.

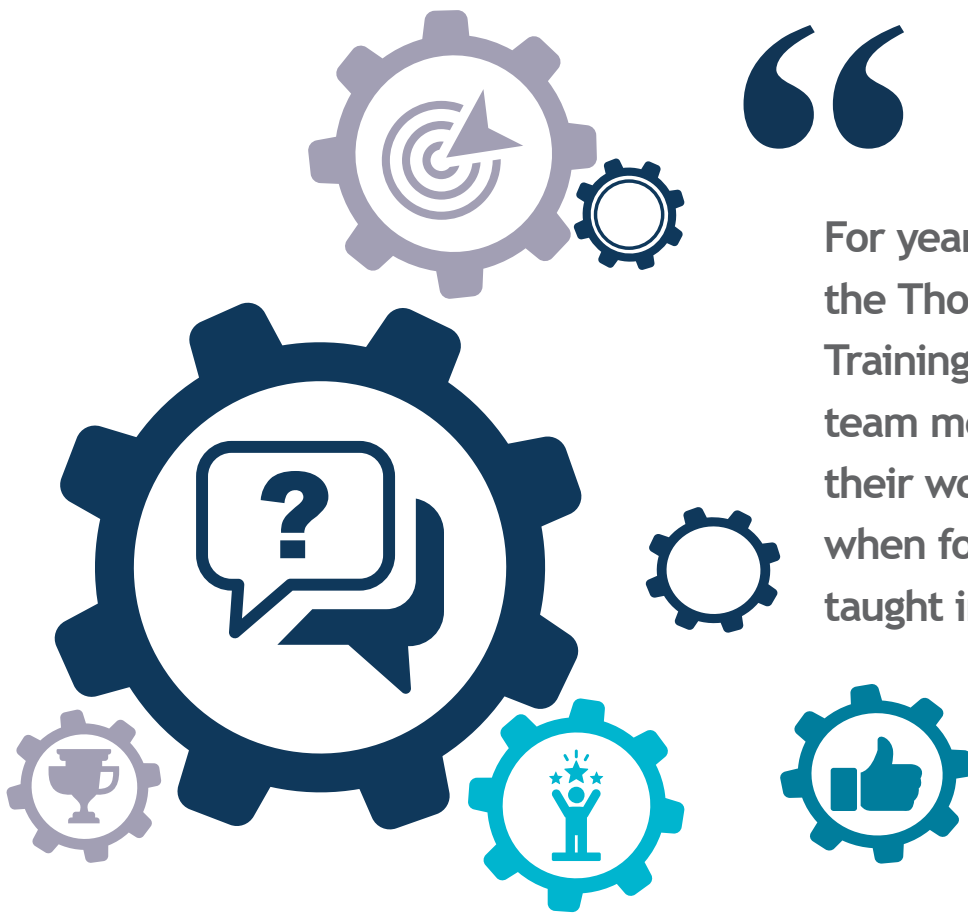
Regardless of the reasons behind the employee shortages, retaining employees has never been more important for any business. And dealerships are not exempt. According to WORQDRIVE CEO Tracy Parsons in an article dated June 14, 2022,

the cost of losing employees was almost \$2.4 trillion in 2021. That's bad enough, but replacing qualified employees who leave your dealership may not be easy. Many companies have realized the importance of retaining committed employees who understand the work culture. As a result, reducing headcount and leveraging variable staffing models are probably not what should pull one's focus right now.

Mercer published a 2022 report called Rise of the Relatable Organization: Global Talent Trends. Almost 11,000 people in 16 different places and 13 industries took the survey. Of the respondents, 22% were C-suite executives from high-growth companies. Another 23% were HR leaders who spent the first part of their careers working on the business side; the move to HR was recent. The remainder were line employees, where approximately 24% worked on-site, 45% worked mostly remotely, and 30% had a hybrid work arrangement.

If you are concerned about preventing high turnover, one approach is doing what you can to help employees feel happy enough in their work to stay, which raises an interesting question. Since competitive wages and good benefits are obviously important, assume you have that part covered. What else motivates people to stay working?

Mercer's introduction described the post-pandemic recovery as "fragile." As they report, the labor market has changed. Everyone is still fresh from the effects of the last two years, and



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For years, NCDU has offered the Thought Performance Training program to help team members thrive within their work environment when following the principles taught in the class.

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companies understand that employees who don't trust and feel valued by the people for whom they work will probably move on to somewhere else that values them more.

Many organizations are responding by reinventing themselves. They want employees to see the place they work as consisting of trustworthy people with whom they can easily relate.

The Mercer report listed the top 10 responses from North American employees about what helps them thrive. Employees want:

- Fulfilling work
- To be valued for their contributions
- To have managers who advocate for them
- A sense of belonging
- The power to make decisions
- Fun at work
- An organizational purpose that makes them proud
- Opportunities to learn new skills
- Integrated life and work
- Wealth-building opportunities
- Notice how far down the list money is mentioned. Yes, it's important — it made the top 10 — but it is not as important as other workplace characteristics.

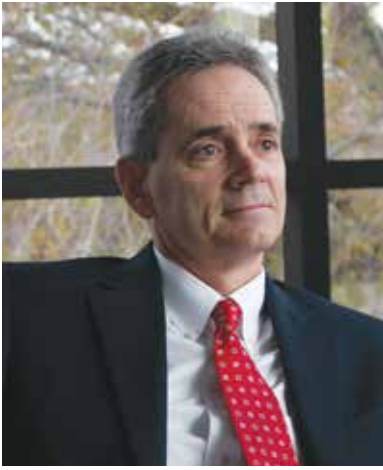
Another item worth noting is the desire to learn new skills. This can be leveraged to increase job satisfaction in other higher-ranking areas. If one learns new skills, there's a good chance to

find work more fulfilling, have a greater sense of belonging and have more fun at work. (Who doesn't enjoy a break from routine?) Opportunities to learn tell employees they are valued and that their managers advocated for them; otherwise, they wouldn't have been given those chances to grow.

Training classes might also apply to an employee's life as well as to their work. In short, one specific area (opportunities to learn new skills) may help improve work in five or six other areas, depending on the program.

For years, NCDU has offered the Thought Performance Training program to help team members thrive within their work environment when following the principles taught in the class. The current economy is a reminder of how important this specific course can be since it benefits participants in the ways described above. As a result, NCDU wants to remind dealers about this class because it can help their employees. We asked Craig Bickmore, executive director of NCDU, about the class and its potential for positively changing lives. Personally, he has benefited from similar training and wants to provide other NCDU members the same opportunity he has had. Craig believes dealers who invest in sending their employees to the class will create a virtuous circle that improves their dealership's bottom line.

Read about NCDU's Thought Performance Training program in the adjacent Q&A with Craig Bickmore. ◀



How Confident and Engaged Employees Can Improve Profitability

The newsLINK Group recently chatted with Craig Bickmore, the executive director of NCDU, about a class he developed and teaches for dealership staff members called Thought Performance Training. Craig has worked with the association for almost 35 years and has been a director for the last 26 years. He earned an MBA from Utah State University and a bachelor's degree from Southern Utah State College (now called Southern Utah University) in Cedar City, where he grew up.

Thought Performance Training is something he is passionate about. He has personally witnessed impressive outcomes from people who attended the training and committed to use the techniques taught in the class in their personal and professional lives.

Below are some highlights from Craig about the training.

How did NCDU come up with the idea of an NCDU training series? Is there a story behind it?

We wanted to create a training program with a unique twist. I went to the board about 11 years ago with a training program I thought would be helpful to dealers. We had 175 people take variations of the class initially. They came in very early, and over a period of six months, we came up with a very good training model and have honed it since then.

Where is it taught? Is it taught online or in a class?

I teach the class in the training room at the association; it's something that I am passionate about, and this is something that I really enjoy doing.

How long does it last?

It is one class that lasts three hours and is very interactive. We start at 9 a.m. and finish at noon.

How long has it been offered?

We've done it for years. We experimented with it when we first started and made some adaptations, but it has probably been the same for most of the last 10 years.

Please tell us a little about the series.

We've honed the Thought Performance Training class so anybody can attend, whether they are a dealer, a receptionist,

work in the parts center, or anywhere else in the dealership. Everyone can benefit from the class.

What's unique about it is that it is the critical training before other training is done; it sets the stage for success, regardless of position, by building confidence and helping each person identify with their own personal goals and motivation for their success. Confident and motivated employees are engaged employees, which makes for positive outcomes all the way around.

During class, we identify each person's incorrect core beliefs that interfere with what they want to do. We figure out their mindsets. Then we work together to figure out what corrections need to be made to their core beliefs, and we help them make the corrections at the subconscious level. You know, we all have about 50,000 thoughts a day, and sadly for many, the majority of those thoughts are negative or create roadblocks to success.

In short, we help people align their beliefs with what they want to accomplish, which in turn sets the stage for success opportunities. Imagine if all employees came to work without any negative beliefs that kept them from achieving their personal best. What would that look like for the bottom line of a dealership?

Who should attend?

Anyone can attend. We've had hundreds participate in this class, but we, like most others, took a break when everything shut down because of the pandemic. Anyone can benefit if their subconscious is preventing and limiting their performance.

I think it's also something that is incredibly team-building, especially if an entire department takes the class at the same time. Obviously, you can't close an entire department down for everyone to attend at once, but, you could have half of the employees attend one class, and the other half another. In the car business, we see a lot of families working together from different generations, which, interestingly enough, can bring differing perspectives into the workplace. Due

to the pandemic, the workplace has seen so much shift in demographics that I think this type of training is invaluable for getting all those different perspectives and viewpoints on the same page.

Plus, anything that can be used for team building these days is invaluable for making employees feel valued.

What is the cost?

It costs under \$200.

How has the series benefited you?

The first time I used some of these principles was 30 years ago, and I continue to use them all the time. It has been really good. It has helped me move in more positive directions and overcome incorrect beliefs that were barriers to my own performance.

What would you say if you had to give someone a summary of what they will learn in the class?

Students in the class learn to identify limiting or incorrect beliefs that have created barriers to performance and goal achievement. They have to change their beliefs before they can change their performance. The change can be accelerated if it occurs at the subconscious level.

What is the general long-term benefit of taking the series? When somebody really wants to improve their performance permanently, and they come to the class, they find out what the error is in their beliefs and correct it. They make a pattern of what to do going forward and establish a new behavior that comes from the corrected belief. It's incredibly powerful; call it subconscious goal-setting.

How has the series benefited those who have taken it?

I have many stories from former students. People have told me their performance accelerated, and they broke records in sales and personal performance. This approach can benefit everything from dealing with cranky co-workers, to increasing sales numbers, to helping those employees who may be reticent to answer phones, speak in public, approach people looking at cars or even learn new technology.

For instance, you could have an incredible older salesperson, who connects with people and can sell cars like none other, yet they have a limiting belief that they can't learn the new DMS program because they are not "tech savvy." It would be a shame to lose that employee. Training like this can help that employee become more confident in their abilities to learn new technology and thereby more open to the actual training on the DMS itself. This is just one example of many.

Have you adjusted the series over time?

It's been pretty much the same for the last several years. We know what to say and do and how to help people identify incorrect beliefs. We also know how to find the errors in people's beliefs that have prevented them from achieving what they want.



Why is the series relevant now?

People are dealing with all kinds of distractions and different motivations. It's a game-changer if you can identify the barriers and correct them.

Since the pandemic, so many people have given in to negative thoughts and limiting beliefs about what they can and can't do. It's very sad. It's like we're afraid to get out of our comfort zones.

How can students prepare for the series?

They just have to show up and be ready to learn.

What would you recommend as a follow-up after taking the series? How can students continue to benefit and grow after taking the class?

People in the class find their own solutions. We go through a three-page work sheet during the class, and attendees will write their own prescription on it during the training. We ask that they pay attention to the work sheet after they finish the class and follow the guidelines they have written for themselves. It's not hard, but it does take some practice and it's something you have to continue to work on.

Once you learn the skill set, though, I believe it will become a technique that the class participants will use for the rest of their lives.

Do you have any last words? What would you like readers to remember when they finish reading this article?

If you don't sign up for the class and experience it yourself, you will miss out on the time, energy, money and personal growth you could have had. I know that's a bold statement, but I've had people say it's the best course they've ever taken.

I would encourage every manager to send their people to this class. In many dealerships, there are fewer employees that are doing more than they have in the past because the worker pool is stretched so tight. I think every tool that we can give employees for their personal success will come back and positively affect the bottom line of the business.

Employees who are engaged and focused on successful outcomes are empowered, and empowered people are happier and much more productive. Investing in your people is a great retention strategy. ◀

An aerial photograph of a river with a dam. The water is a deep blue-green color, and the surrounding landscape is a mix of green and brown vegetation. The dam is a long, straight structure crossing the river.

Plan ahead for your dealership's long-term legacy

Setting up a succession plan is an important consideration for the future of your dealership. Now's the time to think about your priorities, such as maintaining control, taxes, liquidity, employees and family.

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How to Prepare Today for the EV Customer of Tomorrow

Vehicles powered by electricity aren't a new thing. Some experts have said the first ones were developed as early as 1828-1832. A British inventor named Robert Anderson displayed another prototype in 1835 at an industry conference. In the late 1880s, a chemist named William Morrison fitted a carriage with a battery. The carriage could carry 12 people and travel about 20 mph.

When automobiles began replacing horse-drawn vehicles between 1880 and 1914, their power was provided in three different ways: steam (40%), electricity (38%) and gas (22%). Steam proved to be impractical. Drivers had to wait 45 minutes before they could start driving, and engines needed to be refilled continuously with water. But even though Thomas Edison and Henry Ford worked on building an EV, gasoline won the three-way race. Gasoline had been discovered in Texas and was easier to provide to rural areas than electricity, which tended to be limited to cities. Also, Henry Ford's assembly line proved itself as an efficient way to build gas-powered vehicles.

Until the 1970s, when the U.S. began experiencing high prices and shortages, gas-powered engines dominated the market. People wanted to be less dependent on imported oil, especially after the 1973 Arab Oil embargo. However, a limited driving range and slow top speeds were a problem. The Toyota Prius was released in Japan in 1997, then worldwide in 2000. Martin Eberhard and Marc Tarpenning (not Elon Musk) started Tesla Motors in 2003; Musk became the board chair in 2004 and the fourth CEO in 2008. The Nissan LEAF debuted in 2010. Lithium battery costs declined 97% between 1991 and the end of 2021.

Unsurprisingly, people have been predicting the advent of EVs for a long time. But the time of high expectations

continued on page 14

combined with a less-than-overwhelming market share is ending. Kristen Balasia, VP of Consulting Services at S&P Global,¹ says choices among commercially available EVs have already grown exponentially. It now looks like the U.S. EV market will be much bigger by the decade's end and that the mainstream brands will be making about 90% of EVs by 2030.

The government is pushing EVs hard. The budget for national EV charging networks is \$5 billion. An executive order signed by President Biden mandates 100% zero-emissions vehicle acquisitions. The deadline for that is 2035. Many people want the entire U.S. to be carbon neutral by 2050.

How fast will the transition be? Most new car owners keep their vehicles for about six years because they want to keep up-to-date with the latest features, but in June 2021, the average length of ownership had extended to 11.9 years. That makes sense; the cost of a new vehicle is high, loans take years to repay, and it's a smart strategy to continue driving what you have until the need for repairs changes your mind.

Dealers can expect to provide conventional auto services for at least another decade, but the balance in 10 years will still have shifted dramatically. That's why dealers who want to continue selling vehicles will want to transition to selling EVs. Then they can position their dealerships for tomorrow's EV customers.

The good news is that you have time. But don't wait to get started; a lot of preparation will need to occur. What needs to happen?

First is training, education and infrastructure investment. You will want EV buyers to view your dealership as a place that has EV experts and offers them important resources, even though you will continue to service conventional gas-engine vehicles. It would be smart to hire an EV expert who can answer questions for customers. The expert should know as much as someone at any store using the direct-sales model, including knowing which benefits are available and which ones stack. Federal, state, local or utility incentives are all potentially available.

Talk to an electrician and the local electricity supplier; you will need more electricity and more electrical infrastructure, so find out what that means in specific terms. You may need new transformers and electrical equipment. Investing in charging stations is also a good idea, as well as thinking about what you need to do to provide service for EVs. Charging stations are expensive, but they will get used even if you only install one or two at a time. Put at least one in the service area. If a technician is working on an EV, the technician can charge the vehicle while it is being serviced. Little things make a big impact on customers. You may need to upgrade tools and machinery so that everything is compatible. That's a challenge, certainly, but be strategic about it. Perhaps you could work out something with a fellow dealer who has the same problem.

Another issue is battery storage. You may need to store batteries in a separate room or another building. Batteries can start fires. Don't skimp on safety.

Technicians will need in-depth training. EV certifications will matter more and more over time; since most shops don't fix EVs, you can add a revenue stream if you can help your staff get the certifications they need now. You may lose business without those certifications. Your team can still work on vital components, fluids, brakes and tires. Eventually, you can add working on EV motors and replacing batteries.

You don't have to do everything at once. Take the time to prioritize. Maximize the money you spend by choosing improvements carefully.

The direct-sales manufacturing companies have not invested in the service side as much as they probably should have. Although they might compensate by turning to a business strategy that combines competition with cooperation, neglecting service was a strategic mistake (and, therefore, your opportunity). EVs need less service than conventional vehicles because they have substantially fewer parts, but "less service" is not the same as "no service." You may eventually change your emphasis as a business, but customers will still need service, and there will still be money to be made.

All the preparation in the world won't help you if people don't know about it. How can you let them know?

One effective way is to attend National Drive Electric Week 2022, scheduled this year for Sept. 23, 2022-Oct. 2, 2022. It is a collaboration between Plug In America, the Electric Vehicle Association, the Sierra Club and EVHybridNoire. The event has been around for more than a decade and is held in all 50 states. This year is the 12th year. The people who attend are thinking about buying EVs of all varieties. Organizers welcome dealers. There probably isn't a better way to find many potential customers in one spot. You have the chance to meet them and make a good impression on them. That's great advertising.

Now is also the time to start looking at customer profiles. Since EVs do have to be charged, you have the chance to think through their needs. Homeowners can charge at home. People who don't have easy access to electricity at home may want to know where charging stations are, especially at restaurants and shopping areas. Let them know where they can plug in their vehicle and then do something else while the battery charges. If someone has spent a lot of time in your service shop, maybe you can talk to them about the new level of reliability that occurs when there aren't as many moving parts.

Stay ahead of the curve. The future will continue to be good for dealers who are ready for it. ◀

¹ S&P Global completed its acquisition of IHS Markit Feb. 28, 2022, about a year after the merger was first announced.

Combating Catalytic Converter Theft



Catalytic converter thefts present a growing problem for dealers and their customers. In 2021, the National Crime Bureau estimated that more than 52,000 catalytic converters were reported as stolen, compared with 1,300 in 2018. That's 40 times as many converters, and it doesn't include the number of catalytic converters thefts that went unreported. If the repair cost is the size of someone's deductible, they may not report the theft to the police or the insurance company since they will have to pay the money either way. Filing a report creates the possibility of increased insurance premiums; not filing maintains the status quo.

Another problem caused by catalytic converter theft is the damage when thieves cut the converters from the car. They are in a hurry and don't care about being precise, so they often damage the oxygen sensor and may take other parts of the exhaust system, such as the muffler. That means repairs after the theft will often involve more than just replacing the catalytic converter itself. A stolen catalytic converter is usually worth \$500-\$600 to the thief, but replacing it costs the owner approximately \$3,500.

Dealers and owners can combat catalytic converter theft by making it harder for thieves to get to them and making them easier to trace.

How do you make it harder to steal a catalytic converter? Vehicles stored outside are more vulnerable than vehicles inside a garage, so dealerships are attractive targets for thieves. One dealer installed a 7,000-volt security system around the dealership. He hasn't had any problems since then. However, one of his customers had seven trucks. Thieves took all seven converters. It took eight weeks for replacement parts to arrive; thieves took all seven converters again one short month later.

Experiences like that have made the second strategy more attractive (making it easier to trace stolen catalytic converters). In January 2022, Indiana Rep. Jim Baird introduced H.R. 6394, the Preventing Auto Recycling Theft (PART) Act, which NADA strongly supports. The bill is intended to increase traceability and enforcement. A day later, Jan. 14, 2022, it was referred to the Subcommittee on Highways and Transit. It still has to pass the House and Senate, so it is a long way from being signed into law by the president.

If the bill passes, the idea would be to use a \$7 million grant program to cover the cost of stamping VINS or other identifiers onto existing vehicles' catalytic converters. The vehicle owner wouldn't have to pay anything for this to be done. Dealers would also be able to use the grant program.

Ideally, the grant takes care of the vehicles already on the road. The bill would also require new vehicles to stamp unique, traceable numbers on catalytic converters when vehicles are built to identify an individual converter. Purchasers would have to keep records of these numbers. Catalytic converter theft, sale, trafficking or purchase (if the buyer knows the converter was stolen) would be a federal crime. Someone convicted under this law could spend up to five years in jail.

In May 2022, 14 trade associations, other industry organizations and NADA asked Congress to take up H.R. 6394 and get it moving. The signers specifically asked Congress to send it to the House Energy and Commerce Committee for a hearing.

If you have dealt with catalytic converter theft, you know how important this issue is. Now is the time to reach out to your representative and ask them to support H.R. 6394. It wouldn't hurt to communicate with committee members, too. The chair is New Jersey's Rep. Frank Pallone, Jr., and the ranking member is Washington's Cathy McMorris Rodgers. For a full list of committee members, visit <https://energycommerce.house.gov/subcommittees/energy-and-commerce-117th-congress>.

We can help Congress and, later, the Senate understand how important this issue is, but we will only be successful if we put in the effort. ◀

Women's Perspective

Are you listening?

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Hiring women to work at your dealership is a good idea, but listening to them once hired is also important. You want to create a collaborative and supportive work environment. Talk to them about the demands on their time, personal and professional.

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You've probably noticed it's harder to find people to hire lately. The Macrotrends website says the U.S. population in 2022 is slightly less than 385 million people. The 2020 census found that more than 55 million people (about 14%) had retired. The labor force participation rate was 62.2% in April 2022, and the unemployment rate was 3.6%. There were already job shortages before the pandemic, but the pandemic worsened it. However, even though many people chose to retire during the pandemic, about 1.5 million came back into the workforce later.

Any sentence with the word "millions" sounds like shortages should not be a problem, but everything is relative. On March 29, 2022, Jeff Cox at CNBC reported 5 million more jobs open than workers to fill them. That is, employers with 18 jobs have to compete for 10 people.

Employers can no longer afford to hire only men when they need to fill jobs. The U.S. is approximately half male and half female, but there are slightly more women than men. To take the statistic above and recast it slightly, suppose you have 18 jobs and 10 job candidates, but five are women. If you default to hiring a man, those five men will compete for 18 jobs, and it's no wonder you can't find enough people to hire.

continued on page 18



continued from page 16

Hiring women starts with recruiting them. That can be challenging because many women don't even consider working at a dealership, and the turnover rate (according to CDK research) is 88%. But women make or influence the decision to buy a vehicle most of the time. Many people in the industry think women are more likely to buy vehicles from other women, so companies that ignore women are losing out on a great sales opportunity.

Many companies in the auto industry have gotten the message. General Motors' board is one of the most gender-diverse boards in the country. The CEO is Mary Barra, and 58% of the board members are women. Most of the committee chairs are women, too.

Other industry CEOs include:

- Liza Borches (Carter Myers Automotive)
- Mary Buchzeiger (Lucerne International)
- Flavia De Veny (Camaco-Amvian)
- Corina Diehl (Diehl Automotive Group)
- Aicha Evnas (Zoox)
- Gail Faulkner (Faulkner Auto Group)
- Julia Fream (Original Equipment Suppliers Association)
- Linda Hasenfranz (Linamar Corp.)
- Jennifer Johnson (Kendrick Plastics)
- Abigail Kampmann (Principle Auto)
- Lisa Lunsford (GS3 Global)
- Claudia Marquez (Hyundai Motor Mexico)
- Sejal Pietrzak (DealerSocket)
- Kimberly Rodriguez (Dura Automotive Services)
- Rosa Santana (Forma Automotive)
- Anuja Sonalker (STEER Tech)
- Sandy Stojkovski (Vitesco Technologies North America)
- Chrissy Taylor (Enterprise Holdings).¹

That's a long list, and maybe you haven't heard of every company listed after these names, but it's encouraging so many women are CEOs as long as you don't think about the number of men who are CEOs. Still, it's progress.

How do you encourage women to apply for work at your dealership? Think about what you can do to encourage girls to take classes to help them get dealership jobs. Reach out to local schools and teachers at those schools. In addition to public and private schools, talk to people at universities and community colleges. Attend career fairs and support organizations that encourage all students to gain valuable trade skills. Consider awarding scholarships and offering apprenticeships. Even a relatively modest scholarship can still help students pay for their training.

Most people will visit the website before they visit the dealership. Make sure yours sends the right message. For example, look at your dealership website and post pictures of a diverse workforce. People notice inclusive content; have prominent pictures of female employees on the website.



Hiring women to work at your dealership is a good idea, but listening to them once hired is also important.



Train employees about gender diversity and inclusivity. Everyone who interviews job candidates should be up-to-date on these subjects. Have teams with as many women as men on them, especially those that customers see.

Hiring women to work at your dealership is a good idea, but listening to them once hired is also important. You want to create a collaborative and supportive work environment. Talk to them about the demands on their time, personal and professional. Would job sharing, flexible hours or work-at-home options help? Offer everything you can that is situationally appropriate. If your DMS system requires a VPN, switch to a cloud-native solution so employees can log in from home.

Promotions and pay raises encourage employees to stay with their companies. They are helpful, but make sure you don't reward one gender and exclude the other. Given the gender biases of the past, it is easy to favor men over women unconsciously regardless of performance. Are women doing work that benefits the company but isn't included in their job description? Rewrite the job description. Identify and reward high-performing employees, and provide mentorship, training and opportunities for career development that are available to and possible for every employee, regardless of gender.

In an article by Bonnie Marcus that appeared on the Forbes website Oct. 13, 2021, she noted that women have been encouraged to speak up about workplace injustices ever since the #MeToo movement, but sometimes no one takes action after listening to them. That's a problem. People who get ignored tend to stop giving feedback, and when they have the chance to go somewhere else, they are likely to take it. The result is high employee turnover. Any company with high turnover, including dealerships, will not be as profitable as it could be. ◀

¹ To see a full list of 100 leading women in the North American Auto Industry, visit <https://www.autonews.com/awards/100-leading-women-north-american-auto-industry>.



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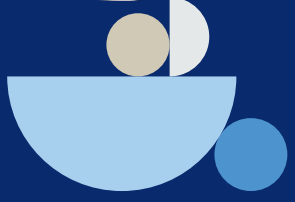
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How Dealerships Can Comply With the Revised Safeguards Rule

By Eide Bailly



The Federal Trade Commission (FTC) has revised the “Standards for Safeguarding Customer Information” (Safeguards Rule) under the Gramm-Leach-Bliley Act (GLBA). The Safeguards Rule is intended to strengthen data security to help protect your customers’ financial data.

The Safeguards Rule applies to any business or entity that provides or facilitates financial services, including dealerships and other similar industries that gather customer financial data. The new guidelines were released on Dec. 9, 2021, giving those affected by the changes a year to comply with the new standards and objectives.

Starting Dec. 9, 2022, amendments to the FTC Safeguards Rule require non-banking financial institutions to develop, implement, and maintain a comprehensive security system

to keep customer information safe. Motor vehicle dealers constitute a “non-banking financial institution” for purposes of the Rule. Dealers must understand how these amendments may apply to their dealership before renewing or signing a new contract with a data security vendor.

Personally Identifiable Financial Information (PIFI)

The Revised Safeguards Rule applies to all customer information and includes any customers of other financial institutions that have shared information with you. The customer information protected under the Safeguards Rule applies to Personally Identifiable Financial Information (PIFI). PIFI does not simply include social security numbers and credit card information, but all transactions that might disclose a customer’s financial information.



There are three primary objectives that an information security program must meet and have written policies in place to support. A security program must:

- Ensure the safety and confidentiality of customer information;
- Protect against threats or hazards to the security and integrity of customer information; and
- Protect against unauthorized access to customer information.

Eight Elements to Include in Your Information Security Program

To best meet the primary objectives the FTC established, eight elements must be included in your dealership's information security program:

1. Establish a designated Qualified Individual who oversees and enforces the information security program. A qualified individual must have some level of information security training and knowledge. This individual is held accountable for issues that may arise due to a security event. A Qualified Individual can be a third-party vendor.
2. Conduct periodic risk assessments on the various security risks to customer information. This must be documented and include the risks or threats found and how they are addressed in the information security program. The documents should include the steps that have been made to ensure confidentiality, integrity and availability.
3. Implement customer information safeguards. These safeguards include access control, inventory of all systems,

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Put policies and procedures in place to ensure that employees can enact the information security program.

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data encryption, secure development practices, Multifactor Authentication (MFA), data disposal procedures, change management procedures, and monitoring and logging authorized user activities. This would be covered through continuous monitoring. If a system for continuous monitoring is not in place, biannual vulnerability assessments must be completed.

4. Test or monitor the effectiveness of the various security controls used to detect attempted attacks on the systems that hold customer information regularly.
5. Put policies and procedures in place to ensure that employees can enact the information security program. Employees must have sufficient information and training on the security risks. The training program must also integrate the new and evolving security risks.

continued on page 22

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continued from page 21


6. Verify that third-party service providers are doing everything possible to protect customer information and that providers are assessed based on the risk that they pose to the customer's information.
7. Establish an Incident Response Plan (IRP). The IRP must include the goals of the plan, the internal process for responding to a security event, clear roles and responsibilities of the decision-makers, all communication if an event were to occur, how to remediate systems in the case of an event, documentation related to incident response activities and evaluation and revisions of the IRP.
8. Assure that the Qualified Individual reports in writing every year the overall status of the information security policy and compliance with the Revised Safeguards Rule. This should include documents that highlight any risk

assessments, risk management controls, service provider contracts that handle customer information, penetration testing results, security events and the remediation steps, and changes to the information security program.

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