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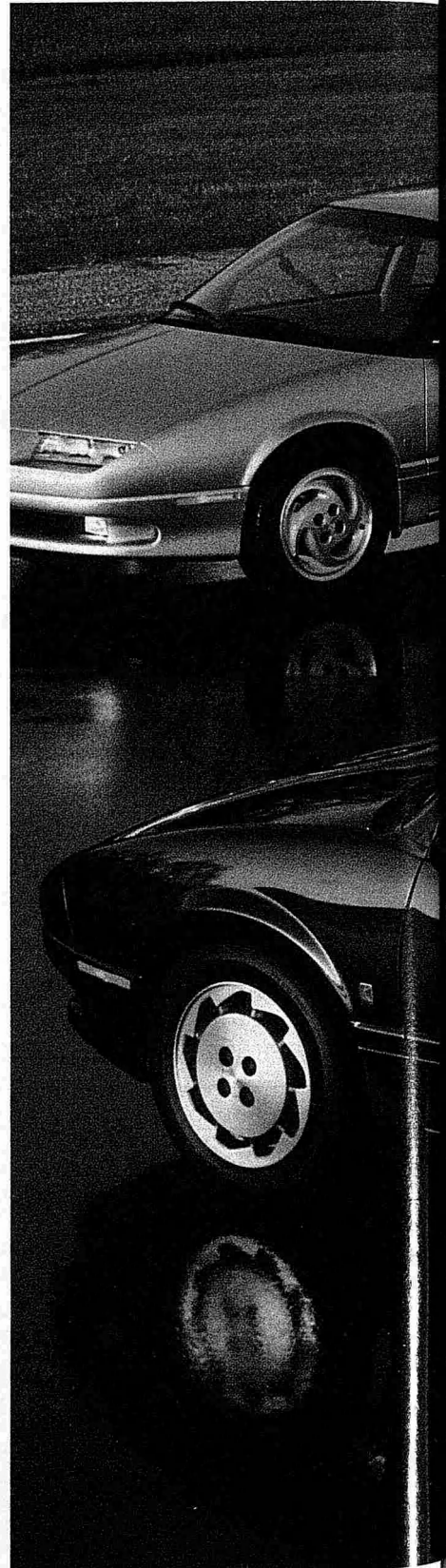
*Sales Skills, Automotive Industry, Partnerships,
Case Studies*

Sales Training AND THE Saturn Difference

**SATURN CORPORATION'S PHILOSOPHY OF TEAMWORK,
CONTINUOUS IMPROVEMENT, AND CUSTOMER ENTHUSIASM MAY TURN THE
UPSTART AUTOMAKER INTO THE AMERICAN SUCCESS STORY OF THE
1990s. THIS CASE STUDY DESCRIBES THE TRAINING PROGRAM THAT IS
KEY TO SATURN'S SUCCESS.**

The banner's message was startling, to say the least: "Thanks to you we have sold every Saturn in stock. New cars will arrive soon. Order yours today!" This sign appeared over the entrance of a suburban St. Louis Saturn retailer nearly two months after it opened last summer. To be sold out of new cars is almost unheard of in the automobile business, especially during a recession. Was it a fluke? Hardly. Saturn has been outperforming the next highest competitor in car sales per facility by nearly 2 to 1. If Saturn becomes the American success story of the 1990s, as some are predicting, analysts can credit sales training for a part of that success. Saturn heavily emphasizes both retail and wholesale operations training.

BY DOROTHY COTTRELL, LARRY DAVIS, PAT DETRICK,
AND MARTY RAYMOND





Photos courtesy of Maritz Communications Company



“A different kind of company”

The Saturn story began in the early 1980s—dark days for U.S. car manufacturers as the American public looked to the Japanese for standards of quality, cost, and customer satisfaction. General Motors sought to recapture the small-car market through a new automobile company that would have a chance at a fresh start toward achieving customer satisfaction.

Saturn Corporation, a wholly owned subsidiary of GM, would offer a “different kind of car” from “a different kind of company,” according to its advertisements. The new company intended to completely change the customer’s experience of buying a car and having it serviced.

Saturn’s philosophy states, in part: “To be truly successful, our sights must be aimed beyond providing customer satisfaction; we must exceed customer expectations and provide an unparalleled buying and

vehicle-ownership experience that results in customer enthusiasm.”

That may be textbook stuff now, but it was a unique philosophy for the U.S. automotive industry in 1983.

The new company defined five values:

- ▶ a commitment to customer enthusiasm
- ▶ a commitment to excel
- ▶ teamwork
- ▶ trust and respect for the individual
- ▶ continuous improvement.

A major part of Saturn’s business strategy was to transfer to the retail level that commitment to customer enthusiasm and teamwork. Even the nomenclature was new: Dealers became retailers, dealerships became retail facilities, and salespeople became sales consultants.

The training approach

Early in the corporation’s development, Saturn and the United Auto

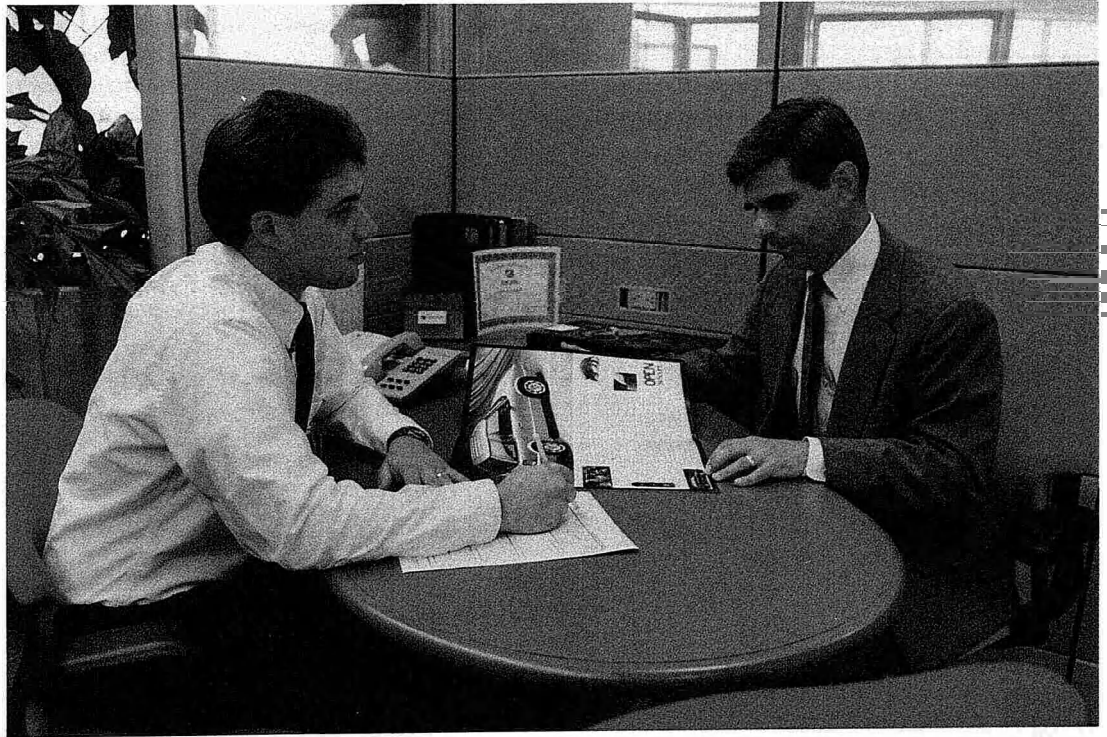
Workers formed a partnership and decided to establish similar relationships with primary suppliers. They required suppliers to demonstrate the values they had outlined for themselves. The goal was to build relationships with supplier/partners who could demonstrate a depth of experience, a belief in the corporate culture, and a willingness to work in an environment of team decision making.

Saturn’s search for a training partner led it to Maritz Communications Company, a training and business communications subsidiary of Maritz Inc. Maritz’s culture, which emphasized quality, creativity, service, and teamwork, seemed to mesh well with Saturn’s commitment to customer enthusiasm.

By August 1989, the Saturn/Maritz team developed the basic architecture for all Saturn retail and wholesale operations training. The Saturn Training and Education Partnership,



Job training for Saturn manufacturing team members means 700 hours of hands-on technical training (far left) and classroom work in "soft" skills such as creative thinking and conflict management (left). Saturn sales consultants attend seminars and complete self-study sales training modules to learn about Saturn's sales philosophy, which aims to create an environment of mutual trust (below). Much of the training takes place at Saturn's training facility in Spring Hill, Tennessee, site of the company's manufacturing center.



or STEP, is designed to accomplish the following:

- ▶ "share the Saturn difference"
- ▶ achieve maximum results for the time and dollars invested
- ▶ provide verifiable performance of job skills, developed through training.

Curricula were developed for all retail franchise employees—from owners to sales managers to receptionists. Developers designed courses for 26 training areas. Eventually, the training material totaled 5,000 pages of print materials before replication, 600 minutes of videotape footage, and 325 hours of training per retail facility.

Maritz's general approach to training begins with learning objectives, constructed in the design phase, to pinpoint what will be taught. The learning objectives are the basis for testing and evaluation, and the focus for the teaching methods that are used. The approach ensures that the client will be able to measure training

success against business objectives.

For Saturn's sales consultants—as well as its other retail and wholesale personnel—the learning objectives were based on achieving a set of retail performance standards that were designed to reflect Saturn's mission and values.

During the design of STEP, Saturn and Maritz committed more than 130 people to working on it. Training designers asked the retailers for input into the course designs; they also included retailers in the final decisions on training. They involved managers and sales consultants in the testing system. And they made sure that all training materials were integrated; in other words, that all print and video reference materials were coordinated with interactive exercises designed to involve the learner.

Developers used instructional design techniques to create a training program that was unique to the retail

automotive industry. In addition to integrated course designs, the program included evaluation and feedback systems, an emphasis on content rather than glitz, job aids, the application of adult learning theories, and the use of learning objectives.

The sales philosophy

The sales training program consisted of self-study course modules and a skills practice workshop. Designers developed detailed learning objectives for the curriculum. But first, Saturn had to answer a fundamental question: Were sales consultants to be trained to sell, or were they to be trained on "the Saturn difference"?

The issue grew out of Saturn's desire to urge retailers to hire a "new breed" of salespeople—enthusiastic men and women, some of whom might never have sold cars before.

The question was resolved by the determination that training should

help sales consultants represent themselves, the retailer, and Saturn in a professional manner. Training would deal heavily with values and "the Saturn difference"—helping customers purchase the right car, not just selling them one.

Saturn's philosophy required a shift from the "old game" of car sales, which customers say is unpleas-

ant and manipulative. Instead, consultative selling would be the rule at Saturn. That sales philosophy is exemplified by Saturn's "Six Steps to Customer Enthusiasm":

- ▶ Listen to your customer.
- ▶ Create an environment of mutual trust.
- ▶ Exceed customer expectations.
- ▶ Create a "win-win" culture.

▶ Follow-up with customers to make sure their expectations were met.

▶ Continually improve customer's perceptions of the quality of products and services.

The challenge was to take an ideal—a belief in a better way to sell cars—and change basic attitudes enough to make it a reality. Success hinged not only on the ability to develop training to explain "the Saturn difference," but on sales consultants' ability to demonstrate on the showroom floor their passion for treating customers right.

As the sales training curriculum was being designed, a Saturn/Maritz team made up of designers, writers, and automotive experts developed a profile of the typical automobile salesperson. The team fashioned psychographic profiles and characteristics to be addressed in training. Then it held a four-day brainstorming session to create effective teaching methods.

For example, team members determined that many salespeople would refuse to participate in self-study activities unless they believed their efforts would pay off in increased sales. To overcome that reluctance, designers opened the self-study modules with video segments of focus groups. In the segments, real customers discuss how they want to be treated by car salespeople—and what they don't like about buying cars. The customer comments support Saturn's philosophy and demonstrate the value of a consultative approach to selling.

In many ways, consultative selling parallels Saturn's goal of exceeding customer expectations. It requires salespeople to probe for customer needs and then to match those needs with product features and benefits. Sales consultants are taught to focus on the selling process, not the result. The goal is to always be able to answer "yes" to the question, "Did you treat the customer right?"

STEP specifics

The Saturn Training and Education Partnership was designed to train retail employees not only through the self-study modules but also through seminars at Saturn's training facility in Spring Hill, Tennessee, the site of the company's manufacturing center.

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The self-study sales training courses—estimated to take 11 hours to complete—fit easily into employees' work schedules. In addition to sales skills and the company's culture and values, they cover specialized technical topics, such as air-conditioning repair, transaxle diagnosis, and driveability diagnosis. Some self-study courses are prerequisites to seminar study; others are stand-alone units. Managers supervise and monitor employees' self-study.

The sales self-study modules are accompanied by learning maps. The learning maps detail learning activities based on short reading assignments, on product information, and on video vignettes that model and demonstrate the Saturn sales process. The assignments are structured in short "bites" of information, followed by interactive exercises meant to keep learners involved.

Seminars are offered on those subjects that are best presented in group situations, which allow participants to discuss issues, simulate job situations, experiment with concepts, and practice skills. For example, a five-day seminar, "Managing the Saturn Difference," explores the company's culture and values and also allows managers to learn how to reinforce the concepts of Saturn's philosophy for sales consultants at the retail level.

A well-planned system of training evaluation is a large part of the STEP process. Evaluation consists of three phases:

Training-quality surveys. For each course, participants provide written evaluation of the effectiveness of the training materials, methods, and instructors.

Mastery tests. At the end of each course, participants take a test on the information covered; some courses have performance mastery tests as well as written ones. To pass, a trainee must achieve a score of 80 percent. Those who score less are required to take the test again. If par-

ticipants fail on the second try, Saturn sends their managers a recommended remediation plan.

Sixty-day evaluations. The final evaluation is a performance check in which trainees demonstrate that they have developed the skills required for their jobs. A participant's manager conducts this evaluation about 60 days after the training.

The implementation

By March 1990, the Saturn/Maritz team had prototypes of the training courses in place. The automobiles weren't in production yet, and Saturn had retail facilities under construction.

Saturn brought in various sales-

has remained basically the same. Saturn now has full responsibility for training retail managers on the company's culture, values, and management philosophies. Maritz designs and implements sales and product seminars for newly hired sales consultants, as well as continuous learning seminars. Writers, instructional designers, training managers, and project managers contribute to these efforts.

A joint Saturn/Maritz team makes up a group called the Retail Training Team, which is responsible for continuous improvement of the sales training programs. The team's mandate includes incorporating new product information into the training, evaluat-

ing and refining training systems, and meeting continuous quality-improvement objectives.

Judging by the sales results Saturn has managed to achieve in only two model years, the company must be doing something right.

Many companies now believe in the concepts that form the basis of Saturn's corporate culture: building customer enthusiasm, exceeding customer expectations, working in teams, and continuously improving processes and products. But Saturn has been able to translate those concepts into ways to give the people who have to make the system work the knowledge and the backing to do it.

Training has helped make that happen. It's an integral part of the Saturn difference. ■

Dorothy Cottrell is director of instructional design and **Pat Detrick** is senior instructional designer for Maritz Communications, 1315 North Highway Drive, Fenton, MO 63099. **Larry Davis** is UAW team leader for training and development and **Marty Raymond** is manager of training and strategic implementation at Saturn Sales, Service and Marketing, 100 Saturn Parkway, Box 1500, Spring Hill, TN 37174-1500.



Saturn's consultative selling philosophy focuses on helping customers purchase the right car, not just selling them one.

people from dealerships that were interested in selling Saturns, and used them to conduct pilot tests. After the self-study and seminar courses were tried out on this first group, the design team made program modifications.

A second round of validation tests was conducted at Spring Hill, this time using employees from the retail facilities that were opening across the country. Participants practiced sales skills on the new Saturn cars—just manufactured but still under lock and key.

Once Saturn launched its first stores, it centralized its training for newly hired employees, conducting it at the Spring Hill facility. Continuous learning seminars are conducted regionally for ongoing training.

Since Saturn's launch, STEP training