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THE OEM AND DEALER'S GAZETTE

EXCLUSIVE INSIGHTS FOR EQUIPMENT DEALERS AND THEIR OEMS



WWW.HANSSGROUP.COM

Welcome

back to the OEM and Dealer Gazette! This is our third edition and we are very appreciative of all the positive comments on Edition 2!

We are often asked what industries do we serve and what services do we offer. Our experience and focus is on the exciting equipment dealer industry and the manufacturers they represent. The industries we cover are broad and diverse. They include but are not limited to:

Construction	Mining
Agriculture	Turf
Materials Handling	Power Sports

Some of the many services we offer to these industries are:

Sales Training	Executive Coaching
Succession Planning	Dealer Groups
5S workplace organisation	Power of Leasing
Service Manager Training	Parts Manager Training

Planning on investing in your dealership and/or dealer network? We would be happy to schedule an introductory chat, contact us at info@hanssgroup.com



Do you know what a GEMBA walk is?

At Hanss Group, we believe that real improvement starts on the ground. A **Gemba Walk** is a simple yet powerful Lean practice where leaders step into the workplace to observe processes, talk to team members, and understand challenges first hand. It's about going beyond the boardroom to see the value being created and how we can make it better.

A Gemba Walk is more than a casual visit; it's a structured approach to observation, dialogue, and discovery. By spending time where the work happens whether it's in the service bay, in a warehouse, or at a service desk, leaders gain a deeper understanding of daily operations, challenges, and opportunities. It encourages asking questions rather than giving directions, and listening before acting.



See

Pick an area of your facility that may require the most attention. Visit the area, to see with your own eyes, safety issues, inefficiencies, and improvement opportunities.

Ask

Talk to the employee(s) to understand their needs, knowledge of 5S and to ask why things are done in a certain way. To build trust and avoid discomfort, do not criticize, or call out issues.

Respect

Understand that the employee(s) may be in the middle of a critical task. Be respectful of interruptions, perhaps by giving a heads up of the visit. After the discussion, thank them for their efforts and time.

GEMBA WALK SCHEDULE

Day	Key Focus	Verify
Monday	Sort	Only required items are present in the workplace
Tuesday	Set	Everything has a place and is in its place
Wednesday	Shine	The workspace is clean and bright
Thursday	Standardize	SOPs are readily available and up to date
Friday	Sustain	5S audits are occurring and 5S info boards are up to date



Leasing

Attention all leasing providers! If you are working with equipment dealerships are you effectively promoting "The Power of Leasing?"

Many equipment sales people offer leasing as an after-thought, not knowing the true benefits to the end customer and how equipment leases can be customized and tailored to suit a company's needs.

Customer has seasonal cash flow? How about seasonal payments to match that cash flow. Funding required for a customer's new venture that requires a new piece of equipment? How about minimum payment for the first 6 months so the venture gets off the ground.

These simple, but creative ways to tailor leases for the customer's needs can help you stand out to the customer and the dealership you are working with.

The Hanss Group offers a ½ day course introducing the "Power of Leasing." Ideal for equipment sales people that are new to leasing or seasoned salespeople that want a refresher on how leasing can help them stand out amongst the competition. Contact The Hanss Group for more information.

Promoting Smart: Are Your Salespeople Ready for Dealer Leadership?

OEMs are you promoting your direct sales people into Dealer Management roles? It's a logical step of course but the dealer manager role entails a whole different set of skills then a direct sales role.

Understanding the P&L and Balance Sheet, working in collaboration with a long-term partner versus a transactional sale, understanding the needs and wants of an SME owner, the list goes on!

Do they possess these particular sets of skills?

We can help upskill your people to be better prepared to work effectively and improve the Dealer/OEM relationship.



Are you treating each part of your equipment dealership as a revenue centre?.....

By separating out unique operations and identifying the drivers of success in each business area, potential control of the overall dealership business has been greatly enhanced.

Now dealer management can identify the critical success factors in Parts, Service, Rentals, Used Machinery, New Machinery and Customer Retention. But what is the best way to do this?

How do we better understand and apply the best practices and performance metrics of the most successful dealerships in our industry? How do we assess our own operations and identify performance areas that are causing the most problems and putting our profitability and customer relationships at risk?

Let the Hanss Group assist you in measuring your business area by area.



The Compensation Conundrum!



I had the opportunity to chat with Matt Wills the other day and pick his brain. One of the topics we discussed was compensation plans for dealer sales people. A very hot topic and one that sparks a lot of debate!

Matt has 20+ years of global experience across construction,

forestry, and agriculture. Matt combines operational excellence with strategic vision, bringing invaluable expertise to our team.

His career spans Russia, the CIS, and the Middle East, where he has led high-impact projects focused on sales optimization, operational efficiency, and leadership development. Matt's passion lies in empowering teams, fostering a culture of continuous improvement, and driving sustainable growth.

Matt's article below gets it right and is food for thought for many dealerships.

The Power of a Well-Designed Compensation Plan—And How to Get It Right

Introduction:

Designing a sales commission plan is a complex and strategic task that requires careful consideration of multiple factors. It involves striking a delicate balance—motivating your sales team, managing market fluctuations, and ensuring the dealership remains competitive in attracting top talent.

Achieving this balance demands a thoughtful approach rooted in understanding your unique business environment.

The Truth About Commission Plans: Complex and Individualized

First and foremost: there is no one-size-fits-all solution to commission planning. Every dealership's circumstances are distinct. Some may operate across extensive territories with a large, decentralized sales team, while others might be more urban-focused or highly specialized in certain product segments. Deploying a generic, one-size-fits-all compensation plan won't yield optimal results. Similarly, failing to regularly assess and adjust your plan in response to evolving business

conditions or your dealership's stage of development can be detrimental. An effective compensation strategy requires careful evaluation of your unique operational environment and a proactive approach to refining the plan as your business grows and market dynamics change.

Should I change my compensation plan once and forget it?

A good compensation plan should be dynamic enough to adapt to changing market conditions and evolving business priorities. While it's important to maintain consistency in your overall pay philosophy—avoiding constant upheaval that can cause confusion and frustration—regular review and periodic adjustments are essential.

Conducting ongoing performance analyses and market assessments ensures that your plan remains competitive, fair, and aligned with your strategic goals. It's worth noting that fairness means fair for the dealership and the salesperson equally.

When done well, compensation plans are a living framework that evolves with your dealership's growth, industry trends, and market demands. By proactively managing and refining your compensation strategy, you can sustain motivation, improve performance, and ensure your plan continues to effectively support your long-term success.



Maturity Does Matter: Tailoring Compensation to Your Business Stage

An effective commission plan must evolve in tandem with your dealership's growth. Your operational focus may shift at different phases of your dealership's evolution; your compensation strategy should reflect your company's current stage:

- **Start-Up:**

This phase is akin to laying a foundational system. Stability and predictability are critical. A solid base salary provides security, ensuring your sales team remains motivated even during market fluctuations. Initial commissions should incentivize core behaviours—such as outreach and closing deals—without creating unsustainable costs.

- Growth Phase:

As your dealership begins to accelerate, your incentive structure should become more aggressive to motivate the pursuit of larger or more complex projects. The goal is to encourage sales staff to expand the customer base, pursue strategic accounts, and diversify offerings.

- Mature & Expansion:

In the maturity stage, your primary focus is on maintaining stability while scaling operations. Balanced incentive plans that reward consistent performance, customer retention, and new market entry are essential. Retaining top performers becomes critical, and incentive structures should be designed to foster loyalty while attracting new talent motivated to expand the business.

Many dealerships in the maturity phase are actively seeking expansion, yet a common mistake we often observe in their compensation plans is an excessive focus on rewarding existing trap line sales, rather than prioritizing the acquisition of new customers. Selling equipment is always a challenging endeavor, but once a dealership reaches maturity, the foundational elements—such as parts, service, and technology—support are well-established.

At this stage, while the sales team continues to close deals, the real growth opportunity lies in expanding the customer base. Fostering a sales culture concentrated on attracting new clients is essential for sustained growth, and compensation plans should be structured to incentivize those behaviors rather than solely rewarding repeat or existing sales.



Leveraging Technology as a Strategic Tool:

Modern technology can play a key role in designing, implementing, and managing effective commission structures. CRM systems, sales analytics tools, and automated compensation management solutions provide real-time data, improve accuracy, and enhance transparency.

How can we help?

Developing an optimal commission plan can be complex. It's rarely an undertaking suitable for a quick do-it-yourself project. The Hanss Group offers industry-specific expertise and tailored solutions, guiding dealerships through the process of structuring compensation plans that motivate, reward, and retain top talent. Their approach ensures your plan is aligned with your business size, growth phase, and strategic objectives—delivering equitable incentive structures that drive results.



IMPROVE PROFITS

- Leverage Technology!
- Optimize Service Operations!
- Diversify Your Revenue Streams!
- Safety Begins with Inspections!
- Inspections Identify Service Requests

HIVE Quick Response is an innovative transformation application in the repair service request process. The HIVEQR service repair request platform solves common problems that reduce downtime and improve efficiency.

Give us a call at **407-550-7548** to learn the ins and outs of how HIVEQR is a game changer in the service repair industry.

www.hiveqr.com