Unleashing the Full Potential of Women Leaders

Insights from Chicago Booth, Egade, Oxford Saïd, Rotman, St Gallen, Sauder, Smith College, Wharton, Vlerick and others
How do global brands stay consistent? When you are selling in both emerging and established markets, how do you ensure that the customer experience consistently meets your standard of excellence? How do you encourage independent business partners, to maintain (and inform) best practice? When you are overseeing sales for one of the most iconic luxury car brands, these questions will take centre spot on the forecourt of your thinking.

Headquartered in Stuttgart, Dr. Ing. h.c. F. Porsche AG (short Porsche AG), the German automobile manufacturer, specializes in high-performance sports cars. With a turnover of 21.5 billion EUR and a profit of 3.4 billion 2015 Porsche is one of the most profitable car manufacturers worldwide. Built on a foundation of quality and reliability over 70 per cent of all Porsche vehicles ever built are still on the road today.

More than 1000 people work in the Sales Department of Porsche AG. They are responsible for various areas, from planning to pricing, from after sales to marketing. As part of the Sales Department the company operates the Sales Network Qualification department, which focuses on developing retail employees to Porsche Brand Ambassadors. This task is structured in two areas:

- **Product** – comprehensive and innovative blended learning concepts regarding Porsche models, technology, features, functions and customer benefits
- **HR Development** – providing state of the arts tools and methods for all areas of the HR-cycle from recruiting over qualification to retention
Both of these topics are delivered cascade-style through subsidiaries. An important part within the HR Development optimization of Porsche Centres is the qualification of the managerial staff, which led in 2012 to the creation of the “International Porsche Dealer Academy”, a sort of executive master tailored to General Managers of Porsche dealerships and their retail stores.

“I have been working in this industry for many years now and have to say I was blown away with the whole experience which is something I’m immensely proud to have been a part of and something that will live for me forever.” Phil Brine, Porsche Centre Principal, Porsche Centre Portsmouth

The Porsche Dealer Academy exists to support dealership principals/general managers (GMs) from around the world. Whether you are selling high volume in an established market or only a relatively low number in a brand new Porsche Centre in Mongolia, the business challenges facing luxury car dealers are very often similar. For this reason Porsche Centres are organized on an identical model no matter the size of the dealership. Although larger Porsche Centres will have less flattened hierarchies and a greater number of job profiles, every single Porsche dealership will need motivated employees, efficient processes and a sustainable strategy.

The International Porsche Dealer Academy is unusual as a corporate learning program, in that it is designed and operated by the core company, but is largely attended – and paid by the independent business operators, the dealership owners or their top management. Hence, it is vital that the content is very carefully tailored to the specific challenges and issues the participants face in their dealerships.

“The most important impact for the start of the program was to prove its benefit to the individual participant and their dealership. If the sales managers are performing better, the dealership and Porsche AG gain rewards.” Dr. Andreas Löhmer Director of Corporate Programs at the Executive School of Management, Technology and Law of the University of St. Gallen

The University of St. Gallen, though one of the smaller universities in Switzerland, has the country’s largest faculty for business administration. St. Gallen was ranked 4th by the Financial Times among European business schools and counts some of the world’s leading business figures among its alumni. “During the pitch” recalls Robert Fallbacher, Project Manager at Porsche, “they convinced us with tailor-made content, a well-experienced faculty with automotive background and a strong personal involvement.”

The St. Gallen/Porsche partnership began in 2012. Over the next year, Fallbacher and Löhmer began ramping up their joint Training Needs Analysis. Working with Porsche colleagues from Russia, China, Singapore, Spain and Italy while visiting different Porsche Centres to understand their needs, gave the pair time to understand each other’s modus operandi, building a personal as well as professional partnership driven by a shared enthusiasm to make theirs a truly great program.

“We had to make the idea of the Dealer Academy also attractive to the Porsche subsidiaries,” remembers Löhmer, “and at the same time create something very special that could work, “Latest academic research by St. Gallen, combined with practical input from Porsche AG, have been the ingredients to create a perfect toolkit for our target group.”
Once it was approved. However, time and experience had shown that it would still need yet another year for Robert and I to really get our expectation management well aligned. The parameters that needed to be tailored regarding the Porsche deliverables were done by Porsche, the contents regarding the improvement of the dealer principal’s skills as a GM were thoroughly customized by us at St. Gallen. Latest academic research by St. Gallen, combined with practical input from Porsche AG, have been the ingredients to create a perfect toolkit for our target group."

The Porsche Dealer Academy is delivered in cohorts of 12-15 participants and consists of three modules, each held over the course of a week. The courses are delivered at three separate locations, to give the program an international colour. "As we work with participants from all over the world," Löhmer says "in an ideal world we would have loved to have held each module on a different continent. However, with an eye on managing participants’ time and the program costs most effectively, as well as creating a true Porsche feel for the program we elected to run one module at Porsche’s Headquarter in Stuttgart, one at the St. Gallen campus and one in Dubai, which is one of the fastest growing and most inspiring cities in the world."

The three modules take the participant through a development journey, setting out with the first session, **Power and Acceleration**. The opening module mainly features St. Gallen content laying out the wider foundations and principles that will be built on during the program, with sessions on **Unleashing Organizational Energy: Concept and Strategies; Introduction to Transactional and Transformational Leadership; Personality and Performance Management;** and **Innovation Landscapes**. Live cases for discussion are also provided by Porsche in this module.

The second module, **Speed and Traction**, focuses more specifically on strategic management in the dealerships with sessions from St. Gallen faculty on **What is Strategy? Getting the right understanding for the Porsche Centre; Pushing the Frontier Beyond**
the Five Forces; and Implementing Your Strategy. The latter half of this week is given over to finance focused sessions by Jeff Smith, the KPI guru of the automotive world and other leading professors.

The final module – Design and Technique – features faculty sessions on the customer, sales and marketing and also HR Management: Understanding the customer and creating benefits; Value Selling; and Rules of successful marketing communication. Interactive sessions in this module include Defining a Porsche dealer’s USP; Evaluating a Porsche dealer’s communication approach; and Good Practices in Recruitment Process. One day during Module 3 is given over to examinations of new media including social media and web presence.

Each module typically has a speaker from Porsche AG top management delivering their insights and engaging in discussions with the participants.

“It’s a fantastic, unique program but it’s also an investment of time. The participants should know that it’s not a quick-win or an easy workshop. We really focus on impact and we ask for implementation.” Robert Fallbacher, Project Manager at the Porsche Dealer Academy

In addition to attending the three face-to-face sessions, participants are required to complete a practice-oriented written thesis on a topic covered in the Academy. In this 10-15 page essay participants examine a strategic challenge from their own day-to-day operations, and elaborate practical solutions in the form of a catalogue of measures, or a strategic plan, which can be implemented in their company. Although the measures, or strategic plan, are expected to be practice-oriented, and have relevance for the company, participants are also required to demonstrate the knowledge gained from the course contents including not only theoretical concepts, but also references to the set literature.

Since the Dealer Academy was set up to be an international program, it was always realised that the language of instruction would have to be English. It was also clearly understood that participants’ language competency would vary widely, and that the focus of the learning had to be on the acquisition of content by participants rather than any language skill advantages some may have had over others. The potential for local versions of the Academy, delivered in participants’ first language and closer to home so as to reduce travel costs, was identified early in the planning, but as Löhmer explains:

“Delivering local academies has proven to be a big challenge. So far five countries/markets have opted for additional local academies in order to reduce travel costs or where necessary to qualify GMs who do not speak English at a sufficiently high level. In three further markets we are evaluating who the best academic partner could be. In Spain for example ESADE has been chosen to be the partner though working with a different format than the international Dealer Academy.

The fact that Löhmer encountered difficulty partnering with other business schools is not unusual in the education sector, however his perseverance and willingness to collaborate are enlightened and progressive, and were widely appreciated on the client side. Normally the one pitching for a contract on behalf of St. Gallen, Löhmer found himself on the other side of the table as the one commissioning tailored support from other business schools.
The materials and literature used would need to provide genuine academic insight, telling seasoned sales folk something they did not already know. Getting that balance right is what makes this custom program truly special.

For example, having decided on the right topics and sessions for the proposed French version of the Academy, Löhmer and his team at St. Gallen began searching for the right institution to collaborate with. They shortlisted three candidate schools that operate at the same reputational level as St Gallen, “as we did not want to dilute the standing of the Dealer Academy. However, we encountered the usual challenges of prestigious schools not wanting to play the role of a ‘subcontractor’ to another competitor school; or too heavy an emphasis on the academic theory being offered; happily we found a very good partner in ESSEC that has now delivered two cohorts of participants” Löhmer said.

With two international groups already graduated, and a further two in process, the program has evolved throughout with continual tweaks and tailoring. For instance, when participants started asking what happens after graduation, Löhmer and Fallbacher hit upon the notion of creating a Porsche Dealer Academy Alumni program as a platform for continuing networking, centred on a yearly Alumni Knowledge Exchange Event.

The Event is hosted by one top graduate and consists of a networking day (Day 1) and a content day (Day 2). During Day 1 the participants get a tour through the host’s dealership and offer recommendations for improvement. On the second day, Academy faculty provide a lecture-cum-workshop (in 2016 the focus topic is ‘customer excellence’). Further to the official part of the alumni session, the participants are also offered an optional two-day workshop to dive deeper into the focus topic.

Conclusion

“We invested a lot of time to make the program OUR program,” concludes Fallbacher. “The Dealer Academy is 100% Porsche. We have included a lot of internal information and great examples from the automotive retail sector.”

In April 2016, the Porsche Dealer Academy was awarded the ‘German Education Prize’ by TÜV Süd, the highly respected German certification organization. The prize, ultimately under the patronage of Dr. Johanna Wanka, the German Federal Minister of Education and Research, led to accolades, recognition and laurels that are certainly welcomed by those who developed the program. Arguably more impressive however is the loyalty and enthusiasm which the alumni themselves so readily express for the learning initiative.

The Porsche Dealer Academy is not a program dealers are obliged to attend. Rather enrolment costs them a considerable investment in both time and money. A course of study that was too speculative would have held little interest for senior investors and general managers working in the cut and thrust setting of luxury brand retail. Even so, the materials and literature used would need to provide genuine academic insight, telling seasoned sales folk something they did not already know. Getting that balance right is what makes this custom program truly special.

Maybe Jason Broome, Managing Director of Porsche in Mongolia and an alumnus of the Dealer Academy puts it best. “I think the knowledge I have gained from this training is like the food you never knew you liked, how do you know if you liked it or in this case needed it until someone offered it to you? This training we have received is like the special tool in the workshop. This is the tool the mechanic will use to carry out a technical repair in less than what we call book time, or alternatively in a time that is respectable, if they didn't have the special tool to use, would they be able to carry out the repair work as well or in a reasonable time? In essence I am now able to find areas that need attention in my business quicker, I achieve better results in a shorter time.” This is the kind of testimonial that the program organizers strive to receive. Creating real benefits from deep knowledge – and directly delivering the St. Gallen promise of ‘from insight to impact’. A promise Porsche AG and the University of St. Gallen have seemingly delivered upon.
Despite much discussion about the need for leadership
development in corporate and public organizations, and
the considerable industry that surrounds it, this is the first
authoritative periodical focused entirely on this area.

Developing Leaders looks at the critical confluence between
the provision of executive education and the real everyday
needs of organizations to strengthen their management
teams, their corporate performance, and their leadership.

The publication presents the latest thinking and most recent
developments in both academic and commercial executive
education provision worldwide, what it is achieving and which
are the best models for success, sharing the experience and
expertise of top leaders and world class educators.

Developing Leaders is published in both hardcopy and
online “page turning” format. The quarterly magazine
complements the IEDP website - the definitive resource for
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