

A photograph of a lighthouse with a black base, a red middle section, and a white top section, situated on a stone pier extending into the sea under a blue sky with scattered clouds.

# Viewpoint

Motor dealer services

*A key problem in obtaining advice from an external source is that the person providing advice may not know enough about your industry...*

## Building an effective HR function

Alan Anderson, Director, Organisational Consulting, BDO Kendalls

### Challenge area

Dealerships of all sizes face increasingly difficult times in managing their staff due to the range and complexity of legislation surrounding unfair dismissal, workplace health and safety, workplace bullying and anti-discrimination.

Many dealerships do not employ a specialist Human Resources (HR) person to handle these issues and rely on HR advice from a range of sources. A key problem in obtaining advice from an external source is that the person providing advice may not know enough about your industry or your dealership's special circumstances. As a result, dealerships may still have to interpret advice and information to fit their particular needs.

### New Perspectives

So what should you do about developing a strategy for Human Resource Management in your business?

- If the dealership is not large enough to warrant a HR Manager, make sure that someone in the dealership is responsible for handling HR issues and keeping up to date on HR policies and Award conditions.
- Try where possible to obtain all your HR information from one source, and establish a strong business relationship with that provider so that they get to know your business needs better and can integrate the HR policies and strategies to drive your business goals.
- Ensure that your HR adviser is well qualified and experienced to handle the range of HR issues that your dealership will face.



*A well-developed HR plan shows clearly how the HR function can assist the dealership...*

## The way forward

If you decide it's time to set up a HR function (or to review your current HR function), then consider the following steps:

### Step 1: Review current arrangements

To start you thinking about a HR review you might like to answer the following questions:

- Ideally, what benefits would a HR function deliver to my dealership's bottom line and people management?
- How could HR help my dealership achieve its strategic goals?
- What is the dealership prepared to pay for its HR advice?
- What are our risks if we don't correctly manage HR issues?

### Step 2: Understand your HR needs

The HR review outlined above can provide much information on your needs, however you might like to obtain the views of all your staff at the one time. This can be achieved through a confidential climate survey. These types of surveys can be conducted relatively inexpensively using the internet.

### Step 3: Develop a HR plan

A HR plan can be developed taking into account the results of the HR Audit and/or climate survey. A well-developed HR plan shows clearly how the HR function can assist the dealership to meet its strategic goals and add value through improved productivity and staff retention. The plan should also highlight the dealership's capabilities, its HR philosophy (ie. how do you aim to treat your staff), key HR initiatives for the next year (at least) and include an action plan (ie. who is responsible for what actions and by when).

### Step 4: Implement & evaluate

A plan is only as good as its implementation and its benefits will not be known unless the results of the actions are evaluated. Some businesses use annual climate surveys to chart the progress of their people management processes. The foundation for an effective HR function, whether it is in-house or outsourced, is to ensure there is a strong link between the dealership's strategic plan and the HR plan. It also helps to have the right HR person looking after your dealership!



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### The benefits of effective HR

Human resource management is about much more than mitigating risk—it's about improving the profitability of your business. Creating the right HR plan will improve profitability because it is based on the fundamental principles of commitment to people and achievement of business goals. It creates the right culture and climate to make the workplace enjoyable and productive.

So at the very least we recommend that you review your current arrangements as outlined above in Step 1.

### About the author

Alan Anderson is a Director at BDO Kendalls in Brisbane. He has a strong background in Human Resource (HR) Management as the former Director of HR at a major Queensland University, the Queensland Manager of international human resource firm Watson Wyatt Worldwide and the Managing Partner in his own HR consulting firm.

His proven ability to work with organisations to review their performance systems and structure has helped them respond to competitive challenges and improved profitability.

## For more information

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