

Pathway to Prime

The Principal Office in Elsterwerda: Opel, VW, ADAC and Mail Office under one roof.

Success has many Fathers -
A practical example of Autohaus Neustadt in Elsterwerda:
„Corporate Life Cycle“ and TGM



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(translated by Andrea Rigbers)



Director Wilhelm Neustadt
welcomed the guests

When going to South-Brandenburg respectively Northern-Saxony you will inevitably come to a car dealer in Elsterwerda (10.000 residents) which makes successful history since its formation on 1st of July 1990. Founder Wilhelm Neustadt is one of those businessmen from the New Bundesländer that think innovative with an exemplarily eagerness for knowledge and which have the assertiveness for the realisation in their own company. He started with one employee in 1990, today 70 employees work within his company in Elsterwerda, Riesa and Oschatz. In 1992 he built new in Elsterwerda, in 2000 in Riesa and in 2003 another business in Oschatz. Since 2005 Riesa distributes Honda and actually they gained 1.500 VW customers, after the VW/Audi car dealer Schulze in Elsterwerda closed on 30th of November 2006. So Neustadt operates within the established Opel business with a VW service contract. A big, quick growth! This has to be assimilated.

That is why Wilhelm Neustadt engaged at the beginning of 2005 the consultancy of TGM, Rüsselsheim. On the basis of the system „Corporate Life Cycle“ TGM developed the product „Pathway to Prime“, that stands for „the way to success“. Since 2005 the Neustadt organisation works in accordance with it. Wilhelm Neustadt: „I am really surprised, which treasures we raised by this system. And I am glad to see my team grow with new responsibilities and the visible progress we mutually achieve.“

As Wilhelm Neustadt did not want to withhold this system of success to his business customers, he invited them to the renovated baroque palace at the Schwarzen Elster of Elsterwerda. Once, this palace used to be the summer residence and hunting seat of August dem Starken and today is used as the „Elsterschlossgymnasium“ - a grammar school for 950 students. The famous Journalist Thilo Koch or former Premier Reinhard Höppner went to school there, as well as Wilhelm Neustadt. Starting in the afternoon at 3 o'clock, businessmen were invited for the subject „What makes and keeps organisations successful?“ and for the evening the complete staff to present the results.

Management-Approach

In contrast to biological life cycles, the life cycle of companies/organisations has the advantage that companies do not „grow old“ or have to „die“ but stand a unique chance to adapt continually. In the opinion of MacDougall and his Corporate Life Cycle Network this depends on four different management functions:

- What? (Producer)
- How? (Administrator)
- Wherefore, why not? (Entrepreneur) and
- Who? (Integrator)



Scenery full of history: Customers as well as employees were invited for the presentation of „Corporate Life Cycle“ to the Elsterwerda palace.



Udo Abel (TGM) introduces the „Corporate Life Cycle“ concept to the invited customers.



Ammeli Neustadt (left), assistant of the company owner, moderated the presentation of the specific core teams.

Modern leadership uses the strengths within a company and settles deficiencies. Correspondent leaderships have to be established within the life cycle phases to redress the required balance. Thus you'll meet problems with normal, abnormal or pathological characteristics. For diagnostics different aids are to be used. This is the point where „Pathway to Prime“ the properly life cycle consulting with its four major steps has to be used:

1. Diagnosis
2. Alignment
3. Improvement
4. Facilitation

The first step makes clear all open and hidden problems of the company and assigns the problems into strategic and operative areas. For alignment an organisational-radar (positioning) has to be worked out, the vision, strategy will be deduced and responsibilities will be determined. For step three improvement, the „right“ tasks will be determined and problem-solving teams will be selected. Within these problem-solving teams the right solution strategies for improvements will be mapped out. Its understood that a controlling system for

managers has to be worked out. Now it's time for the ones who build bridges, the selected team members, namely the employees, that will be selected and educated to accompany, to moderate and to support the company internal problem-solving teams.

Realisation

The single steps have been approached dauntlessly at car dealer Neustadt. 164 problem areas have been found within the organisation and were recorded by 22 employees and the management. Within a core team of 11 people the mission of the company, the positioning, the chances, the methods of solution and the company value were compiled and systematically initiated in several workshops throughout the year 2006, that means that a suitable organisation structure for the realisation was made. Thereby the individual qualifications of the employees as well as their further tasks had to be considered. Wilhelm Neustadt: „The objective is to develop further competences of the management to reach the next level within the life cycle curve. On the one hand this is to discharge myself, on the other to meet new challenges with mutual strength.“

Presentation

Within the company festivity in the Elsterwerda palace and moderated by Ammeli Neustadt, the specific groups presented their results and cognitions. One passed a test for a fleet specialist. The company became fleet centre. Another introduced the ADAC wrecking service with three vehicles. The next core team speaker introduced the integration of the VW customers into the Opel car dealer. Further topics were order and cleanliness especially within the archive. In Riesa all personal computers had to be exchanged. The brand Honda had to be started. Internet presentation and service processes had to be optimised. One employee achieved a top-ten position among Opel service consultants. Sales control required systematics. Sales programmes had to be coordinated consistently and effectively as well as the behaviour concerning the sales allowance. Where had further training to be adapted? How do you realise uniform clothing for the employees? Warranty processing required a high attention. Before director Wilhelm Neustadt's future prospects for 2007 he confessed: „Some problems shocked me. I am very thankful for these open conclusions.“ One employee announced with his saxophon every next step of the programme. The last topic, a festive get-together, took the longest time. A weighty event for customers and staff in the Elsterwerda palace. That was great! ■