



KIA Motors

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▶ THE COMPANY

Kia is a global automobile manufacturer with a network of more than 630 retail dealers in the USA.

A key part of Kia's growth strategy is to develop and deliver learning programs for more than 14,000 dealership employees who sell and service Kia vehicles. These educational activities, which include both e-learning and classroom instruction, are designed to positively impact the ability of dealership employees to satisfy customers.

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CASE STUDY

KIA Motors

The goal of Kia Motors Corporation is to be one of the top five automakers in global production. The quest of Kia Motors America (KMA) (to be a top contender in the US market) plays a large role in supporting this ambitious goal. To get there, KMA has developed the following corporate priorities:

- Profitable Growth;
- Brand Development;
- Customer Satisfaction and Quality,
- Retailer Satisfaction and Development.

To achieve the last two priorities-customer satisfaction and retailer development-KMA has focused on implementing a comprehensive program of study for a retail network of more than 630 dealers in the US.

Kia is committed to providing learning that is focused on dealer needs and demands in today's highly competitive automotive market. Learning activities are relevant to real-world job functions, and are designed to help dealership employees learn and practice the skills they need for their jobs.

The objective of this learning program has evolved over the past five years, becoming more focused on impacting specific metrics that measure customer satisfaction with dealer sales, parts and service. While the learning organization does track more commonly used training metrics (such as instructor contact hours, class completions and percentage of students certified), these metrics are not given as much weight as the business metrics. The learning organization continuously monitors the business metrics and reorganizes its programs to align with specific business objectives, such as reducing unnecessary warranty repair costs.

In summary, the business challenges for the Kia training program are to:

- Increase customer satisfaction with sales, parts and service at the retail level;
- Raise scores on periodic surveys of customers conducted by both Kia and a leading nationally recognized consumer ratings and research firm; and,
- Encourage the growth, profitability and success of the U.S. dealer network.

► Some of the learning challenges

Several significant challenges are inherent in Kia's learning environment, starting with the fact that automobile dealers are independent business entities and dealership personnel are not directly employed by Kia Motors America, but rather by a dealership itself. As a result, learning uptake is very much dependent on each dealer's level of commitment to continuing education and the dealer management team's ability to motivate its own employees.

Kia also communicates to sales people, parts, service and service technical personnel that training and certifications-in conjunction with the appropriate customer satisfaction scores-will help them earn incentives.

The time and costs associated with traveling to regional classrooms is another barrier to learning. Sales people and parts and service personnel, whose earnings are based on performance, are often reluctant to spend time away from the dealership. Also, there can be technology barriers. Many Kia dealers have been investing in the Kia brand and their future success by enhancing their infrastructure.

► Benefits of the Learning Management System:

Over the past five years, the training organization has boosted its use of technology to better manage programs and track student achievement. Some of the benefits that they've realized are:

- Automatically generates individual learning plans based on dealership title and position.
- Improves the ability of students to track their own achievements using transcripts.
- Makes enrollment for instructor-led training easier and more convenient.
- Generates email reminders of training date commitments.
- Improves distance-learning experiences through increased graphics and video on the learning modules and tests.
- Improves certification testing with an expanded bank of questions.
- Provides detailed training reports, so managers can more easily plan staff development in keeping with business needs.

The current implementation of the LMS provides several important enhancements over previous versions. Perhaps the most important change is the addition of service technical training, which puts all Kia dealer-learning activities under a single management system. This change is vital for cross-training because it enables personnel to use a single portal to train across multiple job roles, such as sales, parts, service and service technical groups.

► Measuring Business Results

Rather than measuring the success of its training programs using traditional learning metrics, such as attendance and course completions, Kia focuses on measuring the impact of training on business results, such as customer

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satisfaction, service retention and reduced unnecessary warranty repair costs. The main goal of Kia University training programs is to develop dealership personnel skills and knowledge to the fullest, so they have a positive impact on customer satisfaction as based on a set of seven data inputs, including five internal and external surveys.

According to the national manager of Kia University, the dealership learning programs have contributed to Kia's successes. Over the last five years, Kia's performance has improved across all of the surveys listed in Figure 8. For example, the J.D. Power and Associates Customer Service Index (CSI) improved 2.5 times faster than the automobile industry average last year, while unnecessary warranty repair costs are down year after year.

▶ And Kia has done so much more...

Kia University's challenges and solution comprised additional areas that are not covered in this document. Bersin and Associates researched their organization and challenges, detailed the implementation, solutions and methods to measure business success, and pulled out best practices for others trying to reach an extended enterprise.

This in depth case study examines how Kia:

- Increases customer satisfaction with sales, parts and service by developing and delivering a high-quality learning experience for a retail distribution network.
- Uses blended learning to maximize student learning opportunities – both online and in the classroom.
- Leverages technology with a learning management system for functions, such as customized learning plans, automated enrollment, tracking and reporting, and certification testing.
- Measures results relative to key business objectives – such as customer satisfaction, management of parts inventory and the reduction of unnecessary warranty repair costs – rather than traditional learning metrics.

If you are interested in this case study, please contact SumTotal Systems and request a meeting with one of our sales representative. After the meeting, we will give you the full report.

For more information, please contact us at +1 650 934 9500, or toll-free at +1 866 768 6825, or via email at sales@sumtotalsystems.com.