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Mr. Steve Bates

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BMW Seattle



Mr. Sidney DeBoer

Founder & Executive Chairman
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Mr. Bryan DeBoer

President & Chief Executive Officer
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Mr. Ludwig Willisch

Chief Executive Officer
BMW of North America, LLC



Ms. Milagros Caiña Carreiro-Andree

Human Resources
BMW Group (BMW AG)



CC:



Dear sirs/madam;

I hope you are well. Today I was at **BMW Seattle, Washington, USA** to have my car serviced and had a great experience – this has been my experience each time I've visited during my tenure as customer of BMW.

Many employees at **BMW SEATTLE** deserve substantial credit and commendation for this. I've written to some of you about this previously, but in this particular case, **Andrew, Karen, DJ, Nathan, Cameron**, and several working at the reception areas deserve substantial credit for their exemplary service and amplifying my enthusiasm as a BMW owner.

They go above and beyond, including the **younger mechanic** (name unknown) who took extra care pulling my car out of the shop due to its low profile, then stopped to give me pointers on how to avoid damaging the impressive front grill.

And there are always ways to improve. In such a complex operation, some of these things might be in direct control of those I interact with, in other cases that may not be the case.

I have some questions and concerns about the BMW employee performance management system that are based only on observations and things I have deduced throughout this business relationship – **no employee has ever made any statements unfavorable or otherwise about performance management.** I've studied and practiced this discipline in corporations and this is what I've deduced:

1. Employees are hyper concerned with the **customer-experience survey** and more pointedly, concerned about receiving anything other than **perfect 10 results** (on the ten-point scale used in most questions).
2. **Less than perfect 10 results** seem to limit opportunity, earnings potential, and any score other than 10 is seen as a demerit against the employees involved in the service of my account.

The operating model this can create is dangerous, and I encourage you to reconsider it:

1. It generates a **"fear-oriented" model** and the best employees will operate with panic and anxiety hoping absolutely nothing goes as things inevitably do.
2. It creates a consumer conversation that sounds like **"please give us 10s"** versus **"we're constantly trying to improve, let us know if there are ways we could."**
3. It **ignores the finicky attitudes of consumers and the different things they view as satisfying**, the control any employee can have on a complex operation, and will always favor the most and least satisfied.

4. Given my perceptions, I cannot feel good about giving feedback that might be valuable to BMW because I'm concerned I'll cause issues or limit opportunity for those I work with. **BMW loses potentially valuable insight.**

The very first words in BMW Group's 2014 corporate report reads:

Every person is unique.

And no dream is like any other.

So the products and services we create for our customers must be just as individual.

Everything we do is designed to transform our customers' dreams into reality, today and in the future.

We enable moving moments that remain forever – individual and unique.

If what I've deduced about your employee performance management is accurate, **it does not support such statements of individual dreams and services oriented towards them.**

I wish I could feel good telling you that:

- I'm frustrated I've had to fully replace several expensive components on my car in the first six months of ownership; even though it has been done at no cost to me, this causes me concern about becoming a longer term owner.
- I'm angry that a "cosmetic warranty" recently created by BMW within the first year of my lease for repairs to the wheels was not offered retroactively to me as a recent lessee.
- It's really important to me that you have Diet Coke in the refrigerator at all times because it's one of the few times I allow myself to drink one;
- Finding any information about your company or its subsidiaries online is nearly impossible, and that this ease of use extends to all your online properties and is almost laughable;
- The technology in your vehicles needs substantial refinement that are simple implementations that just don't seem to have focus.

I also want to commend BMW Seattle, Steve Gates, and those I've named already for exceptional service that makes me an ecstatic BMW fanboy and I may never drive any other brand of car ever.

I can't give you that feedback without knowing it won't damage these amazing representatives of BMW, however, so I'm left writing a letter like this.

I don't like that at all and with the engineering precision you are made famous for, you should examine, refine, and modernize your employee performance management systems. I hope you will consider this feedback and on the customer-experience survey, as well as reach out should you have any further questions or clarifications on statements I've made.

Most sincerely and best regards,

Jason Krech

