



AMERICAN  
TRUCK DEALERS  
A DIVISION OF NADA

## **Fixed Operations 2 Service Homework (Heavy Truck)**

- Advertising/Merchandising: Competitive Pricing Efforts, Menus  
---currently using billboards on all perimeter of AOR and online thru social media and website.
- Marketing: Potential, Penetration, and Competition  
---send out monthly emails for new deal marketing, outside sales position for shop and parts,use a separate send out to competitors with no service level pricing
- Facility: Capacity, Utilization, and Limitations (**Excel template #4**)  
---tech prof. level at 87%,looking to do more exterior short tern around work and keep larger busier more detailed jobs in the bays
- Productivity: Actual vs Potential in service (**Excel template #3**)  
---increase productivity pay incentive plan,big room for improvement on utlization at currently 56%
- Organization and Production methods  
---going thru tool room and clearing out old junk as well as resealing tool room and shop floor to improve cleanliness and improve moral
- Analyze Cost of Labor and Gross Profit structure in the service department (**Excel template #1**)  
---effective labor rate comes in at 125.75 dollars and our door rate is 129.95 and that does not include the differential that fleet accounts get on the lower price thru MV Preferred and fleet discounting so we are doing well on labor rate,gross profit could go up once we get more he available hours out the shop door



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- Detail necessary changes in expense structure (**Excel template #2**)  
---break expense plan further down to better show what is being spent where.
- Evaluate all pay plans. What, if any, changes do you suggest to improve performance?  
---already offering incentive bonuses on productivity on techs and for the counter staff in service office just reinforce the positive on how much can be made running at maximum output
- Detail performance enhancement programs (i.e., objectives, tracking methods, and communication tools)  
---cut down on rework and failed repaired by having more detailed follow up plan with shop foreman and or service manger on major repairs to keep tech on check and customer satisfaction
- Determine the level of current training program. Evaluate additional training needs and establish revised program to enhance training to meet future needs.  
---provide techs with available laptop to take home and take dealer academy classes offering incentives once class is complete with gift cards on tool trucks
- Condition of special tools and test equipment  
---as with cleaning thru tool room replacing damaged test equipment and placing on lock out platform to hold techs responsible to eliminate lost equipment
- Complete Qualitative SWOT Analysis and include as last part of homework.