

Qualitative Analysis

Strength's

1. Our service manager is a sponge when it comes to the department, we have just sent him to the NADA Academy Fixed Ops II class. He took a lot away from it, and we are now going through ideas together.
2. All of our Class A Techs have been here for a very long time, over 100 years.
3. We have a beautiful new facility with a fantastic lounge.
4. High retention ratio.
5. Well Trained Techs and Advisors
6. We have a Consultant that works with our Service Manager and the Advisors to help with ongoing training and best practices.

Weaknesses

1. Hours don't match sales.
2. CSI climbing, but is still low.
3. Service and Parts Managers butt heads and don't see eye to eye at times.
4. Techs don't want to work on other brands, and we only have a diagnostic tool for our own manufactures.
5. Advisors don't like to do workaround's in the drive.
6. Wait times, and lack of communication when vehicle is done.

Opportunities

1. New Service BDC with an already service experienced BDC personnel.
2. New Dispatcher with strong Tire sales background.
3. Phone skills, starting training with Applied Concepts.
4. Service Consultant through ADG.

Threats

1. Not being able to mirror our competitors hours.
2. Having a Union Shop, limits what we can do back there.
3. Ability to Discount by any Advisor.
4. Internal \$'s are falling and are out of line of the Guide.
5. SOPs can be ordered by ASMs without Prepayment.
6. Used car recon wait time

Objectives / Strategies / Tactics

Objectives

1. Increase number of daily RO's written.
2. Decrease number of single line RO's, increase number of multiple line ROs.
3. Improve G.P. of internal pay.
4. Increase Customer Pay ROs.
5. Improve appointment setting with added phone skills.
6. Improve the customer experience and increase overall CSI.

Strategies

1. Eliminate the ability for our ASMs to discount parts.
2. Utilize our dispatcher to help the process speed up and maximize the opportunities to upsell single line ROs.
3. Having weekly phone skills training and review monthly with every one of our ASMs and the Service and Parts Managers.
4. Having CSI tied into pay/bonus schedules.
5. Increase work by working on all makes and models.
6. Implement a passport tour and schedule of 1st visit on all pre-owned vehicles like we already do for new.
7. Help drive service sales and recapture delayed service by utilizing our Service BDC.
8. Increase hours to match sales, this will be a work in progress as our shop is union.
9. Implement an SOP Prepay Process that only the Service/Parts Managers can override, but then are ultimately held accountable.
10. Preprinted r/o's to allow advisers to spend more time with guest at write up

Tactics

1. The Service and Parts Managers must authorize all discounts.
2. Advertise and/or run campaigns on current offers IE: Octobers buy 3 tires get a 4th for \$1.
3. Data mine retention, and reach out to all of these customers to maximize retention ratio.
4. Set next appointment for all scheduled maintenance, even if it's just tentative for the time being and we reconfirm 2 weeks out.
5. Have a monthly meeting with Service and Parts Managers to review past months goals and set the new current months goals.
6. Have a weekly meeting with the Service/Parts Managers to review forecasts of current data to see how we are tracking vs current goals. See how our lost sales are in comparison to emergency purchases, look at what the profit %'s are compared to guide.
7. Make sure every appointment is confirmed and if they can't make it, reschedule ASAP. - Texting future
8. Service BDC training, we will send them to a special school in Chicago in November.

Action Plan

<u>Task</u>	<u>By Whom</u>
<u>Completion Date</u>	
Turn off ability to discount Nov. 1 st only a Manager can override	Service Manager
Implement Phone Training Nov. 1 st	Service Manager/GSM
Monthly/Weekly Meetings Nov. 1 st	Service/Parts/GSM/GM
Implement an SOP Process Nov. 1 st	Service/Parts Managers
Service BDC Training Nov. 1 st	Service Manager
Consider Manager Pay change Jan. 1 st to a more modern version	GSM/GM
Extend Hours of Operation Managers Jan. 1 st to mirrors Sales	All Department
Create a Service Drive Jan. 1 st Experience 2 nd to none	Service Manager

Synopsis

It is evident that the lack of evening hours and shortened Saturday hours in Service/Parts is having a dramatic impact on the profitability of both departments.

With the addition of extended hours Monday through Thursday open until 7 P.M. and Friday until 6 P.M. Saturday until 5 P.M. should help to increase profitability as well as speed up our internal reconditioning of preowned vehicles.

With the increased G.P. of both Service/Parts Departments this should increase the Fixed Ops absorption percentage.

Changing the pay plans to focus on productivity instead of just showing up for work, should result in focusing more on our customers. Training for our ASMs and our Department Managers will be ongoing to maximize any change and make sure it sticks.

Focusing more on our customers and the new process will help increase CSI. We need to inform our ASMs that CSI doesn't stand for Customer Satisfaction Index, but instead Customer Supplies Income. Because without those customers, we won't be in business tomorrow.