



NATIONAL AUTOMOBILE
DEALERS ASSOCIATION

Qualitative Analysis

Strengths -

1. Established dealership with extended history in the community. Founded in 1921
2. High quality staff in regards to people skills and general customer service
3. Relatively youthful management staff. The General Manager is 30 the Service Director is 40 and the Service manager is 35. Creates great energy and allows for the easier acceptance of fresh ideas
4. Good area, home development is on the rise
5. Highly technological process with many computer systems
6. Tenured but young shop Foreman

Weakness -

1. Process can sometimes be overly complicated and get in the way instead of creating a path
2. Parts inventory and parts department as a whole. We have major issues with supply, ordering, dispatching, almost everything.
3. Technicians. Not enough of them in general, and too many of the new ones are under qualified
4. Poor communication with customers when it comes to follow up

Opportunities -

1. Growing population in the area
2. Better marketing
3. Install a non-dealer competitive price board

Threat -

1. Outdated processes
2. Over managed staff
3. Parts department
4. Open RO list



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5. Lack of communication

Objectives / Strategies / Tactics

🚦 Objectives -

1. Improve gross by increasing hours per RO
2. Increase moral and communication through management
3. Increase bonuses for certain objectives
4. Increase RO count though stronger marketing
5. Increased technician proficiency
6. Track lost sales

🚦 Strategies -

1. Require all Multi-Point Inspections to be accurately filled out and returned to the advisor within 15 minutes of the technician going to work
2. Implement a route sheet to be filled out everyday
3. Increase the amount of work in the shop by working on all makes and models. This will then lessen the amount of technician guarantees that have to be paid
4. Start Express Lube Lane
5. Discuss lost sales weekly

🚦 Tactics -

1. Service manager must review all MPI's
2. Advertise discounts more clearly
3. Switch foramens pay to be in relation to shop proficiency
4. Increase bonus program
5. Have weekly meeting with Service Manager
6. Have weekly meeting with Parts Manager. Look at lost sales posting



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Synopsis –

It is clear that the lack of management communication and process oversight is having a negative impact on the profitability of that department. In addition, the lack of labor sales means less parts sales, thereby reducing the parts department profitability. With the additional gross profit that will be generated with the increase in hours per ro, an immediate increase in fixed absorption percentage should be evident. The posting of the non-dealer competitive pricing board and parts display board should make up-selling much easier in the service lane.

Action Plan

Service manager must review all MPI's

Advertise discounts more clearly

Switch foramens pay to be in relation to shop proficiency

Adjust technician schedule to maximize growth

Increase bonus program

Have weekly meeting with Service Manager

Have weekly meeting with Parts Manager.
Look at lost sales posting

Service Manager

Service
Director/General
Manager

Service
Director/General
Manager



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Service Director/General Manager	Already happening
Service Director/General Manager	Already happening
Service Manager/Service Director	Already happening Already happening
Service Director/Parts Director	Already happening

Already happening

Already happening