

Service Department Analysis for Acura of Westchester

Daniel Giannotti

Class #347

Strengths

1. Been in business since 1986, large customer base.
2. Service Manager and Assistant Manager been here for over 20 yrs.
3. New Service waiting area / New prep building.
4. We just hired a dispatcher which helps tech proficiency.
5. Concierge in service now, which is helping with our waiters.
6. MPI tool that we just installed, hopefully it helps up sell work for customer pay.

Weaknesses

1. Not enough qualified techs.
2. CSI is low.
3. Closed on Sundays.
4. No non dealer competitive pricing board.
5. Morale is low in service dept.
6. A lot of recalls hurting our customer pay ro.

Opportunities

1. Better marketing on social media.
2. Sales is up for the year, so more opportunities for customer pay ro.
3. Better menu to up sell work.
4. Open on Sundays and change hours that mirror sales dept.
5. Display boards in dept.

Threats

1. A lot of independent repair shops have opened in our area.
2. Warranty repairs ro almost doubled in the last couple months, not enough qualified techs to take care of customer pay ro. Down almost 200 customer pay ro per month.
3. ELR does not meet guide, too many discounts.
4. We are 90% lease store so it's hard to up sell repairs the 1st year of ownership.
5. Turnover in staff, can't find qualified employees.

Objectives

1. Increase customer pay ro.
2. To meet guide and retain 20% net profit, we are now at about 12%.
3. Improve the culture in the service dept.
4. Increase Tech Proficiency.
5. Lower Personnel Expenses to meet guide. We are about 6% above guide.
6. Better process for waiters to try to convert them in to a loaner car to have a better opportunity to up sell work.

Strategies

1. Weekly tech proficiency report from Service Manager.
2. New MPI tool to increase customer pay.
3. Assigned teams, salesman have an assigned service advisor.
4. Shop competition to make sure we are staying competitive in our market.
5. Give incentive to techs, parts counterperson and dispatcher to increase sold time and to be more productive.
6. Inviting service advisors to our sales meetings.

Tactics

1. Change dispatcher and service advisors pay plan based on production.
2. Weekly meetings with techs and service advisors, to track proficiency and sales.
3. Shut off discounts, only service manager can override.
4. Advertise with mailers and email blast.
5. Check competitive pricing on a monthly basis.

