

Service Department Analysis for Bob-Boyd Lincoln of Columbus

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NADA 350

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**Strengths**

1. Location: Great side of town that is growing. Easily accessible from the other parts of town.
2. High customer satisfaction consistently
3. Loyal customer base that trusts us.
4. Veteran technicians are outstanding (4 veteran certified techs)
5. Large loaner fleet that we maximize each month.
6. Pick-up and Delivery - we do 200 pick up and deliveries a month for our customers who need service.
7. Great teamwork between advisors. They like each other and work well together

### **Weaknesses**

1. Space - We need more bays and more space for our service team.
2. Leadership - There are no service meetings and little motivation coming from the top down in the service department. No defined "chain of command"
3. Lack of owner presence in service department.
4. Could be more efficient with parts on hand.
5. Not a great system for dispatching work. All advisors think their work is most important and take it to who they think can get it done the fastest.
6. Poor Discipline for most techs.
7. Flat rate techs could use more equipment (IDS for each).
8. Technicians/advisors feel like there is no career advancement opportunities
9. Training - our primary training is Manufacturer required training that happens online. Not nearly good enough.
10. Technicians need more recognition, reward and appreciation.
11. Poor communication and mentorship from senior techs to new techs.
12. Recon of used cars - we get our used cars through way too slow.

### **Opportunities**

1. In House Training - "Create our own master techs" - We have a consulting firm coming in to help us with a new two team system that will allow the master techs to do the tougher jobs and the apprentice techs to do the busy work, while also implementing a mentor/training program that will allow those apprentice techs to become master techs over time. This will improve our efficiency while also improving training and opportunity for advancement of the techs.
2. We have the building size and acreage to create more space for our service department, we just haven't committed to doing it.

3. Implemented a fully automated drive through carwash that would decrease traffic coming through tech shop and increase customer satisfaction with easier access to the carwash.
4. Improve communication between departments with a parts runner who would also be able to work as a service runner when he has downtime.
5. Getting the employees together outside of work in order to build relationships and moral between departments. This would be especially beneficial for techs and advisors to get to know each other.

### **Threats**

1. Inability to attract people to come work at the dealership
2. Techs unhappy with the manufacturer's idea of how much time certain jobs should take.
3. Leadership - The fact that there are no service meetings or anytime where the techs/advisors and manager get together to discuss performance is concerning.
4. Many shops in our area have longer hours than we do. Are we losing business because of this?

### **Objectives/Strategies**

1. Improve overall efficiency of shop
  - a. Recons
  - b. Tech proficiency
  - c. Facility utilization
2. Less one line RO's
3. Expand Shop
  - a. 6 more bays, upgrade carwash, create more space.
4. Expand pick up and delivery
  - a. Grow from 200/mo to 300/mo
5. Implement the two team system and change the way we schedule the shop.
6. Look at incentive based program for weekly productivity for premier team and look at higher pay for flat rate techs since they will be getting less "busy work" and more only doing the difficult jobs.
7. Consider a way we could be open for more hours without increasing hours that each tech is working.

### **Tactics**

1. Incentivize upselling differently so that we have less one line RO's
2. Consider hiring more techs to open more hours.
3. Have weekly meetings with service manager, and then have him host a weekly meeting with all techs and advisors.

## Objectives/Strategies/Tactics

### Action Plan

<b>Task</b>	<b>By Whom</b>
<b>Completion Date</b>	
Improve Advertising by utilizing mobile app 10/1/19	Advisors/salespeople
Create 6 more bays	Owner 7/1/20
Build Carwash 12/1/20	Owner
Implement team program 1/1/20	GM/Svc manager
Implement Incentive based pay 1/1/20	GM/SVC Manager
Implement mentorship program 6/1/20	GM/SVC Manager
Implement reward program to help techs feel more appreciated 3/1/20	GM/SVC Manager
Create parking spots for tenured svc employees 1/1/20	Owner
Assign someone to plan work parties 2x/yr 10/1/20	GM

### Synopsis

The biggest strength of our service department is the skill and experience of our top 4 techs and advisors, but the biggest weakness is the gap between those techs and the rest of the techs. By implementing our new two-team system, we will allow more mentorship while also improving our shop efficiency.

We have an opportunity to increase morale and comradery with work gatherings, weekly meetings and improving our recognition programs for all of our service employees. It is easy for the people in service to feel like they

are lowly team members stuck in the back of the dealership. Once we take steps to show them appreciation their efficiency will also improve.

The addition of 6 more bays and a carwash will immediately make our dealership a more desirable place to work because it will clear up traffic in the shop and give everyone a better work space.

With these changes we will take our service department from good to great!