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**N358**

## **Fixed Operations 2 Service Homework**

- A. Advertising- HX is Hyundai's advertising platform( which includes direct mail and email), that we used to reach out to inactive service customers. There win-back program helps us recapture lost customers.
- B. Marketing- Enforce the sales department to do better at setting up first service appointments on all new and used car purchases. Also make sure service BDC is following up and reminding them about their appointment and getting them back in the drive.
- C. Facility- We will be making a couple of changes to increase our facility utilization. We are currently at 75.8% utilization. We will first be hiring 4 more part time tech's to help utilize our 8 bays to cover the hours that we are open. Our service hours now mirror our sales hours. Also through X-Time scheduler, we will increase our hours to sell by mirroring the service hours.
- D. Productivity- We rented an offsite storage lot to store new cars, which will free up 50 additional service customer parking spots. By doing this it will increase our techs productivity and efficiency by not having to spend all their time moving cars to do the work.
- E. Production Method- Yes we our increasing our available hours to sale.
- F. Analyze Cost of Labor- We pay techs flat rate hour, will not be making changes at the moment. Our sales to gross profit % is at 74.03. Because we live in California the only way we can really change the Tech pay is by supplying all tools for everyone and we not are probably their yet.
- G. Changes in Expense Structure- No we are not selling all available hours yet. We have changed our scheduling tool to match our service hours and in the process of hiring 4 part time techs to help with the extra hours. Our service department G.P. % is at 77.98, we have room to improve.
- H. Pay Plans- No we are competitive in our market and strive to maintain employee retention. However when Hyundai approves are warranty parts increase, we will adjust pay plans accordingly.
- I. Detail Performance Programs- Daily meetings with all departments in service and parts. Going over all goals and objectives. Going in depth on sales and gross tracking as a department and individually. Also looking daily at Sure Critic (Hyundai Service CSI) and reading our reviews.

- J. Level of Current Training- Yes we are at 100% certified with our training and 100% compliant with our Franchise Agreement. We also do in house training weekly with our different departments.
- K. Special Tools- We have all of the Hyundai special tools inventoried and very organized.