

Service Department Analysis for Toyota of Irving

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Strengths

1. Strong customer base. Store has been in Irving since 1968.
2. Family owned since 1968
3. Low turnover rate in service department
4. Ongoing training for service staff
5. New state of the art facility that opened in November 2014
6. Location
7. Inventory level in parts department
8. Strong advertising for service department
9. Open on Sundays
10. Comradery between co-workers

Weaknesses

1. Poor communication between Departments
2. Special treatment for certain individuals
3. Long shifts (12 Hour days)
4. Poor employee attitudes
5. Shortage of service techs
6. Not working on all makes and models

Opportunities

1. Start working on all makes and models
2. Add non dealer pricing board
3. Highway completion (increase traffic to dealership)
4. Service hours to match our sales department hours

Threats

1. Number of Toyota stores as well as other dealership around our store.
2. Number of local repair shops in the area.
3. ToyotaCare (2 years free maintenance)
4. Highway construction

5. Customer parking
6. Aftermarket parts at lower price
7. Loss of shop foreman(passed away)

Objectives

1. Improve service employees thinking on being open on Sundays.
2. Decrease "1 line" RO's
3. Increase technician productivity

4. Increase gross on customer pay RO labor sales

Strategies

1. Meeting with service technicians to discuss ongoing issues in service department.
2. Devise a scheduling system to cut down on long technician hours.
3. Start working on all makes and models.
4. Post non-dealer competitive pricing and shop small independent shops in the area.
5. Promote a new shop foreman.
6. Increase OELR by reducing ASM ability to discount work.

Tactics

- 1. Advertise Sundays hours**
- 2. Implement bonus plan for technicians who work on Sunday**
- 3. Make sure new shop foreman's pay plan is based on production and proficiency in the shop.**
- 4. Weekly meeting with Service Manager and shop foreman to make sure we are tracking forecast.**

5. Advertise that we work on all makes and models.

Action Plan

<u>Task</u>	<u>By Whom</u>
<u>Completion Date</u>	
Weekly Service meeting Weekly	General Manager

Adjust technician schedule Oct. 1, 2017	Service Manager
Advertise Sunday Hours Oct. 1, 2017	Ser. Mgr/GM
Create non-dealer pricing board Oct. 1, 2017	Service Manager
Create new pay plan for shop foreman Sept. 1, 2017	Gm/Ser. Mgr
Create Tech bonus pay for Sunday Sept. 1, 2017	Gm/Ser. Mgr
Track OELR weekly Weekly	Service Mgr

Synopsis

Having the service department open on Sundays has increased labor sales in service, but also has had a negative impact on overall service morale. Additional staff will be needed to decrease the amount of hours the technicians are working. The additional manpower will increase morale and well as increase overall technician proficiency.

Promoting someone from within to become the new shop foreman, will demonstrate that the technician have a career path to shoot for.

Posting of the non-dealer pricing board and informing the customer we repair all makes and models, should decrease the number of one line RO's.