

Service Department Analysis for Landers CDJR of Norman

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Strengths:

1. Detailed and oriented leaders whose vision is to help the customer with all of their current and future service needs.
2. Nice customer waiting area with coffee bar and vending machines available while they wait.
Our service director has developed a strong team since he has started with us. He is very in tune with his shop and knows employee's skill levels, he is always looking for ways to improve and add more profitability
3. Good processes in place for customer retention above District CSI Scores

Weaknesses:

1. Old and out dated facility that does not support the current sales and service department volume.
2. Service hours do not mirror sales hours
3. Our lot is extremely congested with retail units, service customers and employee parking.
4. Excessive wait times for service.
5. Salespeople not following through with the things they promise their customers and expecting service to smooth things over
6. Cramped space for techs
7. Low ceilings that limit us to smaller jobs when fleet servicing is available to us
8. No fans a no A/C in the service department
9. Old and worn out equipment
10. Better communication between advisors and techs

11. Current pay structure for service advisors does not motivate them to be more CSI aware
12. No detail or wash and vacuum bays onsite
13. Advisors not documenting walk arounds with customers 100% of the time
14. Too many techs having multiple bays

Opportunities:

1. Fast growing community with a high income and loyal customer base
2. Implement pain and gain into Advisors pay plans for CSI
3. Specifically targeting pump in and pump out reports for advertising in the service department
4. Offer more products and services more often
5. Implement an accessory department
6. Service and sales hours to mirror each other

Threats:

1. COVID-19
2. Our standards for CSI possibly not being as high as our competitors
3. Competitor specials and deals cause our customers to question our prices. ie free oil changes, tires for life and engines for life.
4. Customers take their business elsewhere because they are being approached in the service lounge by salespeople, Customers complain on a daily basis
5. Smaller mom and pop shops with lower prices

Strategies:

1. Future remodel with new service center. New lifts and a detail department onsite
2. Streamline the process for customers
3. Increase hours produced by upselling and utilizing customer cars on lifts and doing better job with walk arounds on the service drive with the customers
4. Increase the amount of work by advertising “we service all makes and models” and sending out monthly flyers and newsletter with our complete pricing.

5. Weekly shop meeting with all service employees and General manager to discuss ways to improve shop proficiency and efficiency
6. Change hours of operation from Mon.- Fri. 7:00-6:00 and Saturday 7:00-4:00 to Monday thru Friday 7:00 to 7:00 and Saturday 7:00-5:00pm
7. Weekly service spiffs for most sales per week
8. Come up with a new scheduling system to meet demands of our customers

Tactics:

1. Extended service hours to mirror sales hours
2. Service manager must sign off on all labor discounts
3. New hours for the A, B techs. C and D techs will come in at 10am-7pm
4. Dispatching RO's with color codes for A,B,C,D and E techs.
5. Weekly meeting with service director to look at forecast vs current daily labor sales to see where we can improve.
6. Weekly bonus for technicians
7. Adjust pay plans necessary to focus on productivity and CSI

Action Plan

<i>Task</i>	<i>By Whom</i>	<i>Completion Date</i>
Extend service hours of operation	GM/Service Director	8/1/2020
Parts Manager Meeting	GM	Weekly
Service Manager Meeting	GM	Weekly
Adjust all schedules	Service Manager	8/1/2020
Competitive Advertising	GM/Service Director	7/1/2020
Create Tech Bonus Program	GM/Service Director	8/1/2020
Training with Advisors	GM/Service Director	Daily

New Owner Clinic	CSI Manager	Monthly
Create car wash vouchers 8/1/2020 for customer with excessive wait times (off site car wash)	Service Director	
Post a service menu in lounge area	Service Director	8/1/2020
Add an accessory Department (During remodel) late 2020 early 2021	GM/Parts Director	

Synopsis:

It is necessary that we make a change in a few different areas of our fixed operations. In doing so, we will make our dealership competitive in pricing and service hours to be more convenient and available to our customers. Our first focus will be on modifying our service hours. Currently, these hours do not match our sale hours. Our plan is to extend service hours to Monday through Friday 7:00 am to 7:00 pm, Saturday 7:00 am to 5:00pm. By extending our hours it will be more convenient for our customers to have a later drop off and pick up time. We currently have 6 technicians with multiple stalls. We will remove the 2 stall availability from 3 of our techs and hire 3 additional techs to fill those stalls. This will make turn time faster for the customers and will produce more profit for the shop. Our next focus will be increasing opportunities by advertising "we service all makes and models". We will follow this up by sending out monthly email blasts with our competitive pricing options to our database. Changing our advisors pay plans to be more of a pain and gain for CSI scores below the district thresholds is a must. In making this change we force our advisors to use the strategies and technology in place to better communicate with their/our customers. Taking more time to do walk arounds with customers on the service drives to have conversations points to discuss with the customer while in the store. This will create a more trusting relationship with their/our customers which will lead to upselling and producing more hours per RO. Making these changes will not only increase the profitability of the service department but it will also keep our customers happy and bring them back to us as loyal customers year after year. This is my vision of my service department because I know reputation means a lot and customers do have options outside of us when they decide to service their vehicles. When they service with you they will also buy from you.

