

SERVICE DEPARTMENT ANALYSIS
TOYOT OF HUNTINGTON BEACH
BUCKY O'CONNELL
N363

Strengths:

- Central dispatch to increase work flow in the shop
- 10 service advisors and 1 internal advisors (7 per day minimum)
- 42 service bays, 5 MDT's, 18 main shop tech's and 8 express lube tech's
- Solid overall ELR at \$112.88-\$113.50
- 86% show rate on appointments
- 2 full time shuttles

Weaknesses

- 3 advisors on the drive that have soft ELR and low revenue per repair order (under \$150.00 per ro)
- Waiters on Saturday take to long (over 90min)
- Need 1 more BDC person to make outbound calls on a daily basis
- Active delivery could be more hands on by the advisors
- Recon on used cars (turn time) needs to be at 3 days / currently at 4

Opportunities

- Increase hours per repair order to 2.0 / currently at 1.5
- Increase revenue per ro to \$210.00 / currently at \$165.88
- Training advisors on how to ask for the sell by reviewing MPI's 100% of the time
- Need 4 more Toyota Certified tech's and 2 used car tech's
- BDC outbound calls

Threats

- Covid-19
- Social media (bad yelps)
- Slow repair/turn time
- Not enough tech's / proper staffing levels

Objectives

1. Keep Moral High and Employees Engaged
2. Add another BDC person to help generate more business
3. Keep focus on speed so that customer are not here more than an hour on waiters
4. Daily Training to increase ELR
5. Make sure the customer is aware of the process throughout and do active delivery
6. Increase hours per RO
7. SELL

Tactics

1. Hold advisors accountable for their numbers
2. Daily check-ins for advisors with Service Director to go over numbers
3. One on One role playing training with the Service Director and stronger advisors
4. Keep techs happy with the bonus structure we have in place
5. Have the bdc call declined work, or better known as deferred work
6. Advertise discounts and coupons on social media

Strategies

1. Set high goals and TRACK goals. Daily!
2. Recruit and hire techs and ASMs
3. Make sure that responsibilities of all employees in Service Dept are known

4. Daily meetings with ASMs and weekly with the GM and Techs all there too (Fridays)
5. Install menu selling to help increase hours per RO and ELR
6. Hire more certified mechanics and replace 3 weakest ASMs with stronger ones whether from porter or sales dept or someone in another line of work. Prefer to train our own so we don't hire bad habits

SPECIFIC ACTION/ STEP	NECESSARY RESOURCE	ACCOUNTABLE PERSON(S)	EXPECTED RESULT	START, END, & CHECK POINT DATES
RECRUIT	INDEED.COM ALWAYS RECRUIT	SRVC DIRECTOR SHOP FORMAN	Hire a couple good techs. Hire and replace 3 ASMs	Aug 1. No end. Daily.
REPORTS	UCS	SRVC DIRECTOR ASMS TECHS	Go over numbers daily with srvc director and asm's to help create competitive atmosphere	Aug 1. No end. Daily.
SPIFFS	GOALS	ASMS SRVC DIRECTOR TECHS	Give bonus for big upsells. Recognize big tickets with rewards. Bonus for hitting goals.	Aug 1. No end. Monthly.
DISPATCHING	EXCEL	FORMAN	Keep the central dispatching system we have in place we are having great success in used cars because of our dispatching.	Aug 1. No end. Keep eye on process weekly.
TRAIN	KNOWLEDGE	SRVC DIR ASMS	Train the ASMS on the menu selling. Make sure product knowledge is high.	Aug1. No end. Daily

Synopsis

To me it is clear that the biggest problem we have in our service department is our cp sales. That falls on the shoulders on the service director ultimately. We truly have already put in a menu to help the ASMs sell since I got done with service week. They are doing much better. Coronavirus has been a huge obstacle for us. We have had 10 of our techs out, multiple service writers and a parts counter person out all in July. Even with that we beat our previous July. This is a huge accomplishment considering reconning and internals goes down when techs are out. I attribute this to our menu selling we put on.

We began going over the asm's numbers with them daily in July and posting where everyone is at on a big white board daily. These are things I've always done and been a part of on the variable side. From selling cars to being in finance, posting everyones numbers creates a competitive atmosphere and that's what we want.

We have some really good processes in place already but there is always room for improvement. That's why its good to have weekly meetings with all the service department get feedback ad come together as a team to talk and have a little pump up. Training our ASMs has been a huge focus too with the service director. Upselling is a must in our lives and if you cant do it, this is not the right job for you.

We still have not input a deferred work calling system for our BDC service employee but that is a must. We are going to hire an additional person to help with service BDC and from there will be able to start calling on deferred work.

We are going to focus on keeping the energy and moral high at Toyota of Huntington Beach. We have not closed a day since the Pandemic hit and we have yet to fire or furlough anyone. We have actually hired quite a few people the past 6 months and look forward to continued and more success in our Service Department.