

Qualitative analysis – Daniel Hart – Jess Ford of Pullman – N365-25

Strengths

1. Customer base is large. Often we have too much work.
2. We have strong technicians with a low turnover rate
3. Service Manager has a strong management plan to keep the shop operating proficiently
4. Our sales department feeds the shop with a large amount of internal used vehicles to repair.

Weaknesses

1. We get backed up and need to schedule customers out several days.
2. Only 2 advisors-1 advisor per 5-6 techs. Not a great ratio.
3. Undertrained parts staff leads to wrong parts and long waits for parts. This causes vehicles to remain on lifts longer than they should be.
4. Cluttered back lot with little organization. This leads to techs spending too much time searching for vehicles rather than repairing vehicles.

Opportunities

1. There are tons of available business. We do not have time currently to take advantage of other non-Ford dealerships recalls/warranty work. Because of scheduling, it's safe to say that customers are taking business elsewhere for a quicker turn around.
2. Armatus warranty labor rate increase. We are currently at 99/hour warranty but internal and customer pay labor rate are at 140. Should get this bump in 2021.
3. We currently push other makes and models away for service. This can change bringing a huge increase in gross profit for service and parts.
4. Add a lift or 2 in turn bringing in up to 2 more techs. A new tech gives an immediate increase to the bottom line.

Threats

1. Cost of adding lifts, building permits for expansion, necessary updates to acquire permits. Cost to do this could be too great to justify the added lifts.
2. Finding more quality techs. We currently have strong techs, but to go find more could be difficult. Also training money and time necessary to dial in new techs.
3. Employee buy in to change. Adding a service advisor is necessary for us, however, the current advisors could see this as a decrease in pay.

Objectives/Strategies/Tactics

Objectives

1. Increase the bottom line-Gross
2. Raise customer appreciation/loyalty
3. Increase employee morale

4. Maximize our opportunities
5. Operate more proficiently

Strategies

1. Hire a new service advisor-Explain to current advisors why this will be good for them. A decreased work load can lower stress and give them an opportunity to maximize each RO. Hiring a new advisor should actually increase the quality of life for all our employees without causing a decrease in pay. Techs will appreciate having an advisor more readily available for them.
2. Determine total cost to add 2 lifts. Perform cost analysis and net gain from the 2 lifts to determine that we can in fact afford to add 2 lifts.
3. Begin the Armatus warranty labor rate increase procedure. This is pretty much free money to add to the bottom line once complete.
4. Organize the back lot for service vehicles and stick to it.
5. These 4 strategies once complete will lead to all the objectives we are after. Customers will be happier with the quicker repair turn around. Employee morale would be increased do less stress and increased money their pockets. We also have more time to extend our business to other makes and models as well as reach out to new customers (other dealers) for more business.

Tactics

1. Put out adds for "the right" people. Take our time. Perform quality interviews, contact several references. Making sure we hire the people is key to everything.
2. Perform analyses for every change. We don't want to have unexpected costs our problems come when we begin changes. We want to be prepared for everything to ensure quick but efficient updates or changes.
3. Have employee meetings to gain buy in. Remember all the positives that will come from the changes. They will out weigh the negatives though employees may not see it that way first. Buy lunch. Get opinions of all employees and include them in your analysis's. Making everyone feel included in changes will help with buy in.

Task Management

Armatus - Fixed Opps director - General Manager - June 2021

New Lift Permit - General Manager - Feb 2021

New Lift Cost Analysis - General Manager - Feb. 2021

New Lift Installation - General Manager - Complete April 2021

New Service Advisor - Service Manager - Jan 2021

Employee Buy in - Service Manager - Jan 2021 - Daily

Back lot organization - Service manager - Jan 2021 - Daily maintenance

Synopsis

I see all of these changes as doable and will give immediate increased to the bottom line, employee morale, and customer loyalty. Staying diligent on time lines will be key. Great communication among employees and managers will be necessary for accomplishment. 2021 should be a great year for Jess Ford of Pullman service. The opportunities are there and we just need to take advantage of them. Will setbacks come? Yes, but with solid analysis of changes we can be ready for them. Gaining employee buy in will be an ongoing process but will also be key for maintaining the achieved goals and continues to grow at a company.