



Service Department Analysis for Antelope Valley Chevrolet

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Service Department – Internal Strengths

- 1) We have a large service department that is maxed out with 21 service racks and 3 flat bays.
- 2) We have an abundance of service customers coming in daily. Currently more than what we can serve properly.
- 3) We can easily grow by increasing the service department hours to work on internals during non-peak hours.
- 4) Fixed Operation Director and Sales Manager both act and look professional.
- 5) We have 25 vehicles in our loaner fleet for our customer convenience while they service their vehicle.
- 6) We provide a free shuttle or Lyft for our customer pick up and drop off.
- 7) We have a complimentary car wash and vacuum while they get their vehicle serviced.
- 8) We provide a comfortable customer waiting lounge with a big flat screen TV.
- 9) We have a dedicated cleaning person disinfecting the customer waiting area continuously throughout the day making customers feel safe. Cleaning person is outgoing and sociable with customers while they wait.
- 10) We have a young owner who wants to succeed and willing to invest towards future growth.



Service Department – Internal Weaknesses

- 1) We provide poor customer service. There is no consistency from the service advisors.
- 2) We continuously have poor follow up with customers which leads to low CSI and poor online reviews. We lack in keeping customers inform which leads to customers calling us multiple times to get status updates.
- 3) Service advisors lacks time management and setting real customer expectation.
- 4) Our service advisors have low morale which contributes to regular tardiness and calling out sick. They also lack proper professional appearance.
- 5) Service advisors often lack confirming phone numbers which makes it difficult in reaching the customer. They often leave messages to the wrong person.
- 6) Service Department lacks teamwork. Poor communication from service advisors, parts department, and technicians. There are excessive finger pointing on each other versus trying to find a solution for a better tomorrow.
- 7) Service department hours are not convenient for the working customers. We should mirror the sales department hours to get PDI and used vehicle safety during non-peak hours.
- 8) We need a better process for the service advisors to track customers waiting on parts to get them back in the shop in a timely manner.
- 9) Low parts stocking level for everyday requested parts which leads to emergency purchases. This reduces technician productivity level and customer satisfaction as work cannot be completed on a timely manner.
- 10) Service departments lacks marketing skills on dealership website to attract customers to inquire more competitive maintenance work.
- 11) We do not have a service specials “Dare to Compare” board telling the customers we have shopped our local competitors.



- 12) The service advisors are not documenting detail items to show value to the customer. For example, MPI notes are not being documented properly on the repair order showing full value. The advisors are not reviewing the benefits and consequences of not doing the work.
- 13) We do not have a show and tell board to show customers commonly used maintenance parts how it should look compare to theirs in the car.
- 14) Service advisors lacks the art of selling. They do not know how to explain the value of doing the work today to maintain their vehicle properly.
- 15) We fail to adjust prices and often charge less than advertised specials price. We routinely fail to charge for hazardous waste and disposal fee.
- 16) Technicians lacks confidence on the service advisor's ability to sell which produces improper MPI and technician recommendations.
- 17) We do not use video recording from the technician recommendation.
- 18) We lack management getting involved with customers unless there is an issue. No help in selling the job when customers decline work.



Service Department – External Opportunities

- 1) Open longer hours to mirror sales department hours and Sunday to work on PDI and used vehicle safety during non-peak hours.
- 2) Ask customers what other vehicles they have in their household. Inform the customers that our mechanics are ASE certified to work on all makes and models. Encourage them to service their other vehicles here and offer a free complimentary oil change and a multi-point inspection.
- 3) Display technicians' photo, ASE, and General Motors certification to show our guest we have highly trained technicians working on their vehicles. Add a short fun fact biography about themselves.
- 4) Encourage customers to leave an online review.
- 5) We have a growing population as we are the only remaining affordable home prices in the Los Angeles County.
- 6) New owner clinics are a great way for customers to get to know our service department.
- 7) Display a show and tell board to show customers commonly used maintenance parts how it should look compare to theirs in the vehicle.
- 8) Technicians to record video and send recommendation to the customer.
- 9) Display "Dare to Compare" board telling the customers we have shopped our local competitors and show our prices are competitive.
- 10) Offer specials on our website that we have a hard time selling such as: 15K, 30K, 45K, 60K scheduled interval maintenance services, cabin filter, engine filter, wiper blades, alignment, tire rotation, and fluid flush.



Service Department – External Threats

- 1) We do not provide convenient hours for the working people. The independent repair shops in our market offer 7 days per week easy to do business hours.
- 2) As a growing dealership we lack attracting service advisors and technicians to join our workforce.
- 3) Service advisors views a customer as more of an inconvenience to their current workflow versus an opportunity to serve their needs and exceed their expectation.
- 4) We continuously receive the same customer dissatisfaction calls, e-mails, social media reviews and CSI. We take customers for granted as there is not a local Chevrolet dealership in the 45-minute area.
- 5) Service department employee turnover is high which makes it difficult to grow and our repeat service customers cannot build a long-term relationship with their service advisors and mechanics.
- 6) Not improving on our weakness is a big threat to the service department. We lack continuous training and building confidence in our staff when dealing with customers.
- 7) Decreasing General Motors manufacture powertrain warranty from 5 year / 100,000 miles to 5 year / 60,000 miles.



Objectives

- 1) Teaching service advisors people skills, etiquette, and understand how to serve our customers.
- 2) Improve employee morale, motivation, and show appreciation and recognition.
- 3) Learning how to work as a team and understand each other's roles in serving our customers.
- 4) Quicker communication from the advisors, mechanic, and parts counter to serve the customers efficiently.
- 5) Teaching service advisors, the art of selling on customer pay repair order.
- 6) Teaching service advisors on writing a proper repair order that is descriptive and shows value for the customers.
- 7) Improve process to help technician productivity, efficiency, and proficiency while building morale and confidence.



Strategies

- 1) Train our people daily and work with them throughout the day.
- 2) Hold weekly training meeting and keep it positive.
- 3) Hold employees accountable and teach them by showing the reasons why it should be done a particular way.
- 4) Teach the department to work cohesively to get a quicker and positive outcome.
Positive employee morale is the key if you want them to care about our customers.
- 5) Hire an experienced Parts Manager to reduce frustration of not having fast-moving parts in stock to complete routine job. Significantly reduce emergency fill order by tracking.
- 6) Get the service manager involved when the advisors are not able to upsell on repair order.



Tactics

- 1) Discuss with the team in the morning how many labor hours needs to be sold by each advisor versus available technician working hours.
- 2) Get the service director and service manager off their chair and get involved with advisors until we fix the department to work cohesively and properly serve our customers. The management team will lead by example until our staff understands what needs to be done.
- 3) Review 100% of the repair order daily to verify the advisors and technicians are writing clear and understandable repair order that shows value to the customer. Verify service pricing is accurate and charge all customers the same price without discriminating.
- 4) Technician to record the multi point inspection showing the customer the condition of their vehicle. Earn trust and credibility by showing the customer how a new part or fluid should look compare to their vehicle.
- 5) Advertise service specials that needs to be pushed aggressively on dealership website.
- 6) Adjust department pay plans and bonus to get positive employee production.
- 7) Review department numbers weekly during the manager meeting to see if we are on track. Discuss ideas on increasing department productivity and customer satisfaction.



Task	Role	Completion Date
Track daily fill rate, lost sales and emergency purchases.	Parts / Service Director	June
Program Parts stocking level on DMS	Parts / Service Director	June
Organize the parts department and sell the obsolescence parts at any price.	Parts / Service Director	June
Extend service department hours for a better customer experience.	General Manager Fixed Operation Director	September
Dare to compare competitive pricing board!	Fixed Operation Director	June
Display technicians' photo, ASE, and General Motors certification	Fixed Operation Director	June
Advertise relevant service specials on dealership website	Fixed Operation Director General Manager	June
Daily hands-on training with the service advisors	Fixed Operation Director, Service Manager	June
Weekly service & parts managers meeting	General Manager	June
Writing off policy at full retail	General Manager	September



Synopsis

We are fortunate to have an extensive service customer base as vehicle sales has been increasing the past 3 plus years. The service department lack cohesiveness which leads to excessive finger pointing and staff frustration. The lack of communication causes long delays in completing customer vehicles resulting in poor CSI and social media reviews. Increasing the service department hours and doing internal work such as new vehicle prep and used vehicle reconditioning will free up racks to work on customer vehicles during normal business hours.

Service advisors must learn basic people skills to understand the customer needs. We must build a strong foundation with the customer by building rapport and asking what brought them in today. After listening to the customer concerns the service advisor must write a value-oriented repair order and make sure all their concerns are addressed. This will show the customer we care, and advisors will not be looked upon as they are trying to sell rather looked upon providing the best advise in the interest of the customer's needs.

Service department must have regular meetings to discuss ways of improving internal communication to work cohesively. Implementing a pay plan and bonus structure for service advisors and mechanics on CSI will motivate them to deliver a better customer experience.

The service advisors will be trained on the art of selling. They will explain in a very passionate way the benefits and consequences of doing the services today. They must explain the cost outweighs the potential consequences of not doing the work. As we sell more work the trust will be developed as mechanics frustration will decrease when mechanical labor hours are being sold.

Once we reach employee cohesion the technician productivity will increase as communication improves. This will increase the technician efficiency as employee morale increases. Both the technician proficiency and department gross profit will increase as we work for the one common goal, our customers.