

QUALITATIVE SWOT ANALYSIS

Strengths

1. Strong customer retention.
2. Restructured Technicians and was able to promote and train within.
3. Qualified ASM technicians and state of the art equipment
4. Customer oriented Service Manager who is very good interacting with customers and following up with any concerns.
5. Performance based pay for Advisers and motivating them to go after more sales.
6. Large facility and extra bay for each Technician.
7. Strong community presence and very good reviews.
8. Family run business since 1972 and tenured employees who focus on customer service.
9. Clean and new facility.

Weaknesses

1. Advisers are not properly trained for selling and sometimes have a hard time communicating with certain technicians.
2. Customer wait time for complimentary car wash.
3. Too much discounting by advisors and low effective labor rate.
4. Technicians not using time effectively or sometimes having the wrong tech on the wrong job.
5. Communication from dealer to Service Manager to go over weekly numbers. (proper gross is not showing up on our statement which means we need to go over performance report from DMS)

Opportunities:

1. Train Advisers with a better selling process and phone skills to make sure they are capturing all necessary info and setting appointments.
2. Work with technicians to provide customers with videos or texts with pictures for vehicle maintenance recommendations.
3. Meet with Advisers weekly to go over RO's and where we are at rather than just the end of the month so we know where we need to focus our attention on.
4. Increase our service hours to better accommodate our customers. (Saturdays)
5. Reach out to local schools to train young techs to come on board to grow with us and promote/train from within.

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Threats:

1. COVID and people not driving their vehicles as much.
2. Competition from Service Department down the road or other local shops.
3. Push back from some technicians.
4. Losing team members and being short staffed with vacations or illness.
5. New vehicles sometimes requiring more service.
6. Wait time on certain parts for quicker turnover.
7. Technicians not getting along are welcoming change.

Objectives:

1. Increase RO sales
2. Decrease one line RO's...start selling more.
3. Train from within and by running more efficiently the techs will see more money in their paychecks.
4. Increase our effective labor rate from \$89 to \$99.
5. Focus on servicing all makes and models not just GM when we can.
6. Increased hours to accommodate customers.
7. Improve overall communication between all departments.

Strategies:

1. Determine where each Adviser is at with their sales and determine areas they need to focus on for improvement.
2. RO analysis to make sure we are selling and that the right tech is on the job.
3. Track our performance report and include advisers in the meetings so they stay motivated to know where they are at.
4. Focus on our competitive pricing with non-dealer competitive pricing chart.
5. Improve our online presence for the Service Department for our website. Make it easier to schedule an appointment online. Advertise that we pick up and deliver.

Tactics:

1. Include the entire staff in meetings to get their feedback on ways we can improve. That will make them feel important and help to build together as a team.
 2. Ensure everyone is receiving the proper training and follow up with additional training when needed.
 3. Come up with a specific pay plan for advisers to give bonuses when we reach certain goals.
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Action Plan

1. Meet with Service adviser and Service Manager to determine lost sales, areas for improvement, current numbers and set measurable goals for next month and year by looking at our current ELR, hours billed and labor sales. Start 4/9/21
2. Implement Advisor training. Start 5/1/21
3. Utilization of Techs time with Parts Department. That will eliminate time wasters like waiting for parts, supplies and authorization with Parts Runner. "Fetch" 4/12/2
4. Weekly Meeting with Service Manager to go over RO's and Sales using our DMS Performance Report. 4/9/21
5. Improve our Sales intro to the service department and make sure advisors have their own business cards to give to customers during delivery of new vehicle. 4/9/21
6. Train techs to sell with videos of multi point inspections to show customer what is needed using a video app program. 4/12/21-as long as training is needed.
7. Extend Service Hours Operation by at least 6/1/21. (going to need awhile to get crew on board with this one)
8. Showcase our non-dealer competitive pricing board in service department. 5/1/2021

Synopsis:

With continued communication and weekly meetings, we should be able to stay the course. We can see areas we need to improve on our RO sales and technician proficiency. Changing the pay for advisers to more of a performance pay will help to keep the motivated. Moving technicians around and promoting within will also improve morale. We have a great team and rather than going out looking for new people we need to better train the ones that we have. This year with all the chaos we are really tried to focus on our people. I think when the staff sees it reflected in their paychecks and feel like they are trained properly on processes they need to follow it will make us a much more proficient and profitable Service Department. Also knowing what numbers to look at in specific DMS reports will help us to better track where we are and where we need to be. Communication and on-going training are going to be key.

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Repair Order Analysis Summary Report							
	Sales in Dollars		FRH's on RO's		Averages	Analysis	
Competitive	\$ 2,889	÷	67.05	=	43.09	FRH Average	
Maintenance	\$ 4,123	÷	59.40	=	69.42	FRH Average	
Repair	\$ 14,097	÷	154.30	=	91.36	FRH Average	
Totals	\$ 21,110	÷	280.75	=	75.19	Customer ELR	
			Target Labor Rate		103.87	Per FRH	
Total Ro's in Sample	100		Difference		-28.68	Per FRH	
Cost of Labor							
Total Cost of Labor	6989.47	÷	Total Sales	=	33.11%	Percent Cost of Sales	
Total Cost of Labor	6989.47	÷	Total FRHs	=	24.90	Cost per FRH	
Repair Order Measurements							
Total Labor Sales	21,109.64	÷	Total ROs	=	211.10	Avg Labor per RO	
Total FRHs	280.75	÷	Total ROs	=	2.81	Avg FRH's per RO	
Menu Sales		÷	Total ROs	=		Percent Menu Sales	
Competitive FRHs	67.05	÷	Total FRHs	=	23.88%	Percent Competitive	
Maintenance FRHs	59.40	÷	Total FRHs	=	21.16%	Percent Maintenance	
Repair FRH	154.30	÷	Total FRHs	=	54.96%	Percent Repair	
One item ROs	49	÷	Total ROs	=	49.00%	Percent One Item RO	
Model Year Analysis							
2022	2021	2020	2019	2018	2017	Older	Total
0	1	3	2	9	8	75	98
0.00%	1.02%	3.06%	2.04%	9.18%	8.16%	76.53%	

