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Service dep. Analysis of Jaguar Land Rover Carlsbad

STRENGTHS:

1. Shop was built 7 years ago and has all up to date technology.
2. Large portion of staff has 10+ years experience with many over 20+ years.
3. Great team environment with good moral.
4. All members of our tech team are very serious about their positions and learning their profession.
5. Family feel in the shop with many relationships outside of the vocation.
6. We have a cycle team that brings the shop together for recreation.
7. We make sure we set up great scheduling for the techs and service personnel.
8. Constant drive to excel and take on more work is common themed in our shop from the foreman to the level 1 techs.
9. We are part of a large group with many very experienced personal that are happy to help if service needs any tools, parts, or advice on what can be done more effectively.
10. We have seen steady and consistent growth since we opened in 2010.

WEAKNESSES:

1. We have a very congested lot that is not managed properly.
2. We have a large amount of comebacks due to very inefficient OEM warranty systems and tech lines. Our OEM will often require a customer to leave and come back several times before a warranty claim will be accepted or a tech line can be opened.
3. We have a new Booking Clerk who is slow and still learning.
4. We have a shortage of support personnel. We usually are short a front service attendant and porters to wash and move cars around. This leads to lot congestion and keeps techs out of their bays longer moving cars to get work.
5. Our Brand currently has a lot of recalls and this causes a weak image of our service department resulting in lots of goodwill for people's time being wasted and having to come back in constantly.
6. Our pay plans have not been updated for techs in some time.
7. We are not as competitive as our major competition with service loaners, or concierge service.
8. Consistently bad surveys on service interaction.
9. Pre-paid maintenance does not cover all items of basic maintenance i.e. DEF Fluid replacement resulting in goodwill and OEM assisted buybacks.

OPPURTUNITIES:

1. Increased turn around time for our client's vehicles.
2. Improve and expedite booking for warranty claims.
3. Increase our number of techs and advisors to utilize all available bays we have.
4. Better front of hour representative and support staff to improve flow of traffic and car washes.
5. Improve our parts process and eliminate damaged parts being delivered to techs and keeping a job from completion.
6. More concierge services for our clients in order to free up our service loaner fleet.
7. Give our service personnel who want to advance a clear path to do so.

THREATS:

1. Lot damage due to bad lot management.
2. The quality of our vehicles from our OEM continues to get worse resulting in lots of recalls and problems with no resolution for weeks stranding the vehicle in service and taking a loaners down long term.
3. Vehicles have such a bad reputation getting new techs is very difficult to the point of being cost prohibitive.
4. Loaner car expense can reach unmanageable costs and close out the service dept.
5. To many discounts being given. This is especially so on competitive rate that have already been heavily discounted.
6. Independent shop open weekends and offer labor rates at half cost eat up "gravy work".

OBJECTIVES:

1. Increase Closed RO's per day
2. Increase Jobs Booked per day.
3. Expedite service loaner returns
4. Increase profit per RO
5. Improve lot flow and parking
6. Track the time it takes for a recommendation to be made by a tech then customer contact followed by the approval/decline.

STRATEGIES:

1. Have more in-depth training with new booking clerk. Find if the clerk is right for the position.
2. Devise a system for parking all vehicle based on term of work. i.e. repair, maintenance, short term, long term.
3. Develop a more efficient front of house vehicle drop off system.
4. Measure the time from when a tech makes recommendation to when client is called by advisor.

5. More training and accountability for S/R clerk for parts to eliminate broken parts being accepted and brought to techs.

TACTICS:

1. Eliminate discounting of complete rates as they are already discounted.
2. Incentivize Advisors to make more of an effort in Service Loaner returns.
3. Weekly meeting with Service and Parts Managers to discuss work forecast and damaged or incorrect parts ordered. Is this improving if yes why? If not Why?
4. Consider instituting a program for techs that want to advance.

Sept Analysis

ACTION PLAN

| Task | By Whom | When |
|---|-----------------------------|------|
| Weekly Parts and Service | S & P Managers | |
| October 1 Manger's meeting. Discontinue Comp Pricing | Service Manager | |
| November 30 Discounts Increase CP Rate to \$160 | GM/Service Manager | |
| November 1 Increase B Rate to \$140 Raise all techs hourly rate \$2 | GM/ Service Manager | |
| November 2 Hire new service concierge | Service Manager | |
| December 1 Hire new Techs | Service Manager | |
| December 1 And increase support staff Evaluate and change Shop | Service Manager | |
| December 1 Foreman pay plan. Create a Parking Lot | Service Manager/Shop Forman | |
| December 1 organizational Layout Re-train and asses our | GM/Service Manager | |
| December 1 booking clerk | | |

SYNOPSIS:

We have a very disorganized lot that needs to be restructured. We will have a new layout for vehicles based on the time frame and extent of work being done. By adding additional Support staff and front entrance concierge we will be able to quickly move service vehicles from work in progress to parking. This will free up down tech time and increase work production creating more tech proficiency.

We have not increased CP or B rates in two years and by increasing them 10 and 20 dollars we will see more fixed absorption. Since the increase is slight we should not see a dip in business. We will also continue advertising aggressive complete rate services to help maintain our steady growth.

Our booking department will be audited and either over hauled or continued training granted for our clerk. It is essential we get jobs booked timely and efficiently to maintain payment and moral of our techs.

We will be monitoring our Service Advisors reaction time to the Techs recommendations on a job and incentivize this time to be expedited.

Overall by making these changes to the lot and recommendations being presented increasing efficient ways we can recover our service loaners faster. This will result in faster through put, better CSI, More profit per RO, and less goodwill.

