



Service
Department
Analysis for
Arlington Heights
Ford

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Strengths

- Tenured Employees
- Talented Technicians
- Strong Advisors
- Porters who care
- Consistent
- Fix it right scores
- A lot of loyal customers
- Family atmosphere
- Service closing %
- Service Rocks

Weaknesses

- Lack of training
- Accountability
- Lack of team work
- Poor follow up
- Communication
- Attitudes
- Lack of time
- Limited use of technology to advance
- Inequality/treatment of employees

Opportunities

- Showing up on time
- Better Teamwork
- Use technology
- Improving attitudes
- Better communication

Threats

- Competition
- Losing staff to others
- Mindset - attitudes
- Equality issues
- Recalls
- Complacency
- Reviews
- Parts availability

QUALITATIVE ANALYSIS

STRENGTHS:

1. The service department has a high percentage of tenured employees.

The majority of our technicians and advisors have been employed with our store for over 10 years.

2. Our technicians are extremely talented. We are running a 97.5% in fix it right the first time CYTD.
3. The advisors are strong closers. Only about 24% of our service tickets are one line repair orders.

4. We have a good team of porters that care about their work and this store. They work well as a team.
5. We have invested in a new alignment check and tread depth check, and expect to increase the number of alignments and tires sold daily.
6. We have a high number of loyal service customers- totaling somewhere around 70% of our service business.
7. Our dealership has a strong family atmosphere. Approximately 50% of the employees have known and worked with one another for over 10 years.

QUALITATIVE ANALYSIS

WEAKNESSES:

1. There is a lack of team work in the service drive. The hourly techs take longer than expected to do routine maintenance which brings our scores down.
2. The attitudes of some of the service staff are poor.
3. Limited use of technology to advance.
4. There is a lack of training with the newer employees in service- both advisors and technicians
5. Accountability

6. There is poor follow up- there is not enough follow up with the customer while the car is in the shop as well as status checks on ordered parts for cars in the shop.
7. Lack of time
8. Communication- the writers, technicians, managers, and parts department have terrible communication skills.
9. Inequality/treatment of employees- the technicians feel unappreciated in comparison to some of the other departments because they don't have the weekly "rah rah" meetings like sales or some of the other departments that get rewards when they have a good day or week.

QUALITATIVE ANALYSIS

OPPORTUNITIES:

1. Everyone showing up on time and taking responsibility for their own errors.
2. Better teamwork between both technicians, parts, and advisors
3. More training for new people and possibly classes or actual trainers coming in to teach the new people.
4. Getting newer equipment and in some cases duplicate equipment in the shop to make jobs quicker.
5. Having a weekly or even monthly "rah rah" meeting with incentives to increase morale and make the attitudes better in service... also to increase communication between each other.
6. Time management to help with the poor follow up.

7. Using the new technology provided to our department at least 95% of the time.

QUALITATIVE ANALYSIS

THREATS:

1. Competition- losing our customers to independent repair shops.
2. Losing our service staff to other shops/stores due to low morale.
3. Equality issues
4. Recalls are causing customers to change brands. This could potentially cost us customers to other brand dealers.
5. Online reviews- a few bad service reviews could lose us new service customers.
6. Parts availability- lack of availability slows our time to repair and upsets some of our customers.

OBJECTIVES/ STRATEGIES/ TACTICS

OBJECTIVES:

1. Improve technician efficiency, proficiency, and productivity.
2. Increase service profitability
3. Increase service customer retention
4. Increase sales in service
5. Improve morale in service employees

OBJECTIVES/ STRATEGIES/ TACTICS

STRATEGY:

1. Track the technician proficiency weekly (in ascending order) and hang it up where they are able to see it to keep the technicians competitive, and accountable.
2. Reviewing discount policies
3. Improve volume of high profit service work
4. Create a better experience for customers by decreasing the amount of time it takes to finish routine maintenance for waiters.
5. Reach an 85% Multi-point inspection rate
6. Increase effective labor rate
7. Increase total service spend for customer (customer value)
8. Increase morale in service department

OBJECTIVES/ STRATEGIES/ TACTICS

TACTICS:

1. The service manager must have weekly meetings with the technicians.
Are they on track with their proficiency, efficiency, and productivity? If not, how do they get there?
2. Reduce service advisors ability to give discounts above certain percentage. Change permissions in UCS. Limit production and use of coupons.
3. More advertising for bigger jobs. Also advertisements aimed at companies with fleets.
4. Team up the Quicklane technicians (paid hourly) to get tire rotations and oil changes done in a fraction of the time.
5. Track the amount of MPI's that are completed vs. the total amount of R.O's also coach service advisors on walk arounds.
6. Train service advisors on how to make calls and have them call customers with declined service to set appointments to bring them back in.
7. Setting up, training, and using the new text and chat system to use texting to help sell service work and set appointments.
8. Service Director, Service Manager, Store Owners, and Comptroller to sit down quarterly to review discount policies and continually improve them.
9. Arranging some type of incentive for the technicians in order to boost morale and increase the *want* to reach over 100% proficiency.

OBJECTIVES/ STRATEGIES/ TACTICS

Action Plan

<u>TASK</u>	<u>BY WHOM</u>	<u>COMPLETION DATE</u>
*Track technician efficiency/proficiency Daily	Service Manager	
*Hold performance meetings with technicians Weekly	Service Director/Mgr	
*Limit production and use of coupons 11/15/2017	Service Manager/Cashier	
*Limit advisor access in UCS to give discounts to customers Director/Comptroller	Service	11/30/2017
*Review disount policies Quarterly	GM/Service Director	
*Reduce QuickLane advertising and company increase advertising for big service jobs 11/15/2017	GM/Marketing	
*Team up quicklane techs Daily	Service Manager	
*Track MPI's completed vs. total R.O's Daily	Service Director	
*Install text and Chat system for service 11/10/2017	BDC Manager	

*Train service advisors on making calls
11/30/2017

Service Director

and using the text and chat system

*Discuss incentive plans and details for
11/30/2017

GM/Service Director

technicians

Synopsis

It is clear that the lack of training, team work, communication, follow up, and morale are having a negative impact on the profitability of service.

Additionally, the low effective labor rate means less gross per RO. Therefore, reducing parts sales and parts department profitability.

The addition of the Hunter Quick Check Alignment and tire tread depth in our service drive will not only increase the ELR, but will also provide more value and trust with our customers. Additional staff may need to be hired at some point to ensure proper facility utilization. The technician proficiency is currently being tracked on a daily basis.

With the additional gross profit that is expected to be generated we plan to continue investing in our service department with additional equipment to improve technician proficiency and increase service absorption. This should also make jobs easier for the techs, therefore, boosting morale. Posting our version of the non-dealer competitive pricing board will also make sales and up-selling easier in the service drive.

Directing the advertising at bigger jobs should result in selling higher end jobs and increasing the ELR. Additional spend on advertising for service may be needed for a small period of time.

Training the service advisors on phone calls and setting appointments will help keep a steady flow of customers in the service drive. The main focus will be bringing customers back on declined service to increase dollars spent per customer.

With the major change in market over the last ten years we can no longer afford to sit and wait for customers to pull up to our store. Instead, we must produce our own business with increased activity.

We look forward to a profitable future for our store with our new controlled approach.