

Strengths

1. We have the only master certified technicians for GM vehicles in the town and nearest dealer is located 40 plus miles away.
2. All techs have been with dealership for a minimum of 5 years.
3. We have appointed a BDC specialist for service, which handles all incoming calls for appointments. She also targets service customers that may not have been back since purchase of their vehicle. We recently have her cleaning up our special-order parts. In the past this was left to the service writers which was not working. We have since changed process to BDC calling when parts arrive and setting appointment.
4. We are the only shop in town that is still available to set up customers in a loaner vehicle while vehicle is in service.
5. We have a parts manager that has been with the dealership for over 20 years and is well known in the community.
6. We have a great service writer that is friendly and very knowledgeable, and people seem to like and trust.

Weaknesses

1. We struggle servicing any other models in which we do not sell as new.
2. We have a low-tech efficiency which stems from the process that we have had for years.
3. We seem to have jobs stack up on us, such as 1 tech doing most transmissions and when he is off, we tend to stack them up until he returns.
4. The techs seems to run the shop more so now after the covid issue. They know that we struggle to get new techs to come aboard and use that against us from time to time.
5. We seem to struggle to get another qualified service writer to go along with our seasoned writer. Service manager ends up writing service while we are in search of a new hire. We have seemed to jump at the first person who seems willing to take the job. We are working on finding a qualified writer now.
6. Techs seem to be stopping at the end of the day a half hour before the day is complete. They are usually washed up and out the door before end of day.
7. Our hours do not mirror service at all.
8. We do not have any parts on display, we should have something set up in sales area for running boards, covers for trucks, molded floor mats and any other OEM accessories available for our brands.
9. Technicians work areas are not clean.
10. Writers have the ability to discount!
11. We do not communicate with techs and writer what we expect, what our goals are and what we are tracking.

Opportunities

1. Mirror our sales hours which will allow people access to our service department past 5:00 o'clock
2. We recently purchased a new scanner to help diagnose brands that we seem to struggle with.
3. We have a collage in our town that has an automotive program, and we are currently working on a program that would help us pick up some interns that may lead into a full-time tech someday.
4. Have a parts display installed in showroom.
5. We have a hospital in town and need to set up any service work for employees to have vehicle picked up while at work.

Threats

1. We struggle with hiring people from area, most candidates have quite a commute to get from home to dealership.
2. Turnover! We can not continue to replace service writers and quick lube employees.
3. If we do not adjust hours to be more convenient for our customers, I am afraid the smaller shops will and will also be available on Saturdays which we are currently only open to noon for quick lube only.
4. Our technicians are not in the top percent of pay as far as the industry is concerned, we may have to adjust our pay which will cut into our profitability as well.
5. With the current issue of parts being on back order for days and sometimes weeks at a time, it is a struggle sometimes to keep customer happy and continue a high CSI average. While most are understanding the percentage that are not seems to be on the rise as of lat.

Objectives

1. Improve technician efficiency and productivity.
2. Track special order parts and do a better job and setting appointment ASAP.
3. Improve gross on customer pay
4. Increase rate on warranty pay for labor (parts has recently been increase by a big percentage.)
5. Hire, train and grow our service advisors.
6. Make sure a proper MPI is done on every vehicle and technician is confident in the writer to sell recommendations and writer is confident with what the tech has recommended.
7. Have a better display of accessories in the show room.
8. Have technicians take pride in their work area, clean up at night, lifts in air and ready for first job in the morning.
9. Stop letting writers discount work, take access away and must be done by manager if needed.

Strategies

1. We have a separate drive that was at one time used for quick lube express. We need to set it back up which will open 2 stalls back in the shop for technicians. This will also allow us to stock filters, wiper blades which will stop traffic at parts counter and limit wait time for technicians at parts counter.
2. Each technician has 2 stalls, would like to have technician diagnose one vehicle and place parts order through computer then parts sending to writer with availability and pricing, not walking up to parts counter and wasting time. This will also allow tech to move to next vehicle and diagnose while waiting on availability and job to be sold to customer.
3. Increase our labor rate for warranty.
4. Train, train and train our writers.
5. Make sure we decrease the special-order parts that we can not get back in and have to send parts back and get hit with a fee.

Tactics

1. No discounts of any kind unless ok'd by service manager. The access will be removed to do so by any person other than manager.
2. Contact Armontis to work on getting labor rate for warranty increased, (they were the company we recently used to get parts increase as well.)
3. All special-order parts will be paid for upfront if vehicle is not staying at dealership, excluding warranty work.
4. Work on bonus structure to help increase productivity from our technicians.
5. Set up a "spiff" program with sales team on any accessory that they sell to their customer.
6. Set up a weekly meeting with techs and parts that clearly outline what are goal are for the month and what we need from each person to achieve our goals.
7. Work on changing our schedule to accommodate our customers and mirror sales. We can get creative and get techs input as well. Some may want to start a few hours late and stay a few hours later than usual.

Action Plan

Include Task, Manager and Completion Date

1. Weekly meeting with technicians and parts to review current goals and tracking for month update.

General Manager, Service & Parts Mng, November 8,2021

2. Setting up Armontis to pull data to get with GM to increase our warranty labor rate. Performed by:

General Manger

November 16,2021

3. Set up Spiff program for sales team to sell accessories, and set up display in showroom.

Parts Manager, Sales Manager

November 16,2021

4. Implement new special-order process. Customer to pay for special order parts when vehicle leaves and has appointment to return.

Parts Manager

November 8,2021

5. Meet with Techs to increase hours of operation to meet or somewhat mirror sales and competitors.

Service Manager, General Manager January 1,2022

6. Set up quick lube express lane which will alleviate quick change in shop and free up 2 more stalls for technicians.

Service Manager, General Manager January 1,2022

7. Work on bonus structure to help produce techs productivity

Service Manager

December 3, 2021

8. Set up training for service writers

General Manager

December 3,2021

9. Track our MPI's make sure this is done 100% of the time with no exceptions!

Service Manager

November 8,2021

10. Meet with technicians and implement a process that ensures work area will be clean, hoist up and loaded for work the following morning.

General Manager, Service Manager

November 8,2021

SUMMARY

There is no doubt that we have some work to do to make our service department profitable. We as a company for so long have had our primary focus of profitability focused on our sales department. While 2021 has been a record year for our dealerships as far as net is concerned this NADA class has taught me that there is just as much (if not more) gross to be made in service as there is in the sales department. With the way the industry has taken a turn with the value of vehicles and gross on them at an all-time high, when this takes a turn in the other direction, I feel that this class has prepared me and given me the tools and the knowledge I have needed to have my fixed departments on track to pick up the slack and continue to make dealership profitable. I am also aware that change will not come overnight, and it is something that we need to keep an eye on and keep focused.

