

Ford of Clermont

Qualitative SWOT Analysis

Strengths

1. The Dealership is in a great location and in a growing market.
2. The service department and Quick Lane have a steady flow of traffic with loyal customers.
3. Our technicians are extremely knowledgeable, and we have also have four Ford master technicians. Team environment amongst the technicians, they also are all willing to continue learning and mastering their craft.
4. We have the space to grow. Currently we have thirty-six bays and four dry bays that we can install lifts as we grow our shop also, we will be going through a renovation next year which will add an additional 4 lifts.
5. The Parts the department is a bright spot for our fixed operations they are process focused, efficient, knowledgeable and all work well together.
6. Strong sales department increasing our units in operation and internal service work.

Weaknesses

1. Communication with the service department and the parts department
2. Communication with customers, not setting the rights expectations, not following up and keeping the customer updated.
3. Service advisors not following some of our standard processes and being consistent.
4. Lack of growth of sales due to not getting recommended work sold at a higher percentage.
5. Some of the staff having a poor attitude and creating a low morale.
6. Parts Department location is not in the ideal location. Not convenient for the customer because it is in the back of the dealership.
7. CSI for the service department has been under the Local Ford Group average.
8. The Quick Lane technician pay plan not motivating the technicians to be productive to the standard we need.
9. Too many come backs not fixing the vehicle right the first time. Making sure the quality control aspect is there before giving the customer back their vehicle.

Opportunities

1. Executing the process of doing a walkaround on every customer vehicle and identifying opportunities that will add value.
2. Use co-op advertising dollars to advertise the New Quick Lane building and that we service all makes and models
3. Take advantage of the growing market that the dealership is located and create excellent first impressions to our customers and in turn retaining new customers.
4. Improve our sales by utilizing our menu pricing and properly explaining the work recommended.
5. Training our technicians to take pictures and videos explaining the recommended work.
6. Start a process that is introducing the service department once a new or used vehicle is sold. Insuring the customer services their new vehicle with us.

Threats

1. We have multiple independent repair shops near the dealership who offer less expensive services.
2. Staffing the service department, finding technician.
3. Service staff not delivering a valuable experience. Taking the customers for granted.
4. Other Ford dealers in our area.

Objectives

1. Improve communication between the service advisors and technicians and between the service department and the parts department.
2. Improve gross on customer pay repair orders.
3. Improve technicians' productivity in the Quick Lane department.
4. Improve communication with our customers.
5. Bring down the number of come backs.
6. Improve overall morale in the service and parts department.

Strategies

1. Utilize Microsoft Teams and have all service advisors, technicians and parts counter persons use one chat and send any necessary communications.
2. Improve our gross by utilizing our menu pricing, properly explaining the work recommended and offering the Ford 0% credit card offer.
3. Apply a bonus on certain services sold in the pay plan to motivate the Quick Lane technicians.
4. Start a process contacting the customer three times a day to update them, that will ensure the customer is followed up with and updated on their vehicle that is being serviced.
5. Training with the technicians. Making sure the test drive is being done after any major repair. Getting another technician to drive the vehicle as well.
6. Start a recognizing excellent service by a service employee and sharing that with the staff. Have employees meet off property for celebrations on wins quarterly.

Tactics

1. Having every request and communication in Microsoft Teams will create accountability with everyone involved and the service manager and parts manager will monitor it.
2. Training and monitoring the presentation of MPI and recommendations for service advisors.
3. Apply a bonus on certain services sold in the pay plan to motivate the Quick Lane technicians.
4. Having the service advisors call or text the customer using the 10/2/4 method where they call all customers that they have waiting on vehicles at those times throughout the day. For better CSI.
5. The shop foreman will be responsible for training and monitoring the technicians work and that the customer is being test driven and working properly before it is released to the customer.
6. Weekly meetings with the service manager and advisors. Daily tracking on the department's sales gross.

Action Plan

<u>Task</u>	<u>Role</u>	<u>completion date</u>
Start the Microsoft Teams chat and 2021 Have everyone join.	Service manager	Dec. 15,
Train and implement the walkaround process for advisors on the drive.	Service manager	Jan. 1, 2022
Create the new Quick Lane technician Pay plan.	GM / Ser. Mgr.	Jan. 1, 2022
Track daily the follow up on customers by service advisor.	Service manager	Jan. 1, 2022
Weekly fixed department meetings	General manager	Jan. 1, 2022
Track daily service and parts gross	General manager	Dec. 1, 2021
Monitor CSI scores daily	GM/ Ser. Mgr.	Dec. 1, 2021
Monitor technicians' comebacks 2022	Shop Form./ Ser. Mgr.	Jan 1,

Synopsis

The Ford of Clermont Service department has numerous opportunities to grow. Improving our communication within our departments and most importantly our customers is where we need to start. Staying connected to our customers is crucial to our success.

Training with the service advisors and constant monitoring of the new process will ensure more gross profit. Also training the technicians to slow down and make sure the repairs are done correctly the first time will build confidence and trust with our customers.

In the Quick Lane building changing the pay plan to be aligned with our dealership goals and getting more productivity out of the technicians will make a huge difference to the bottom line, better service for our customers and create a valuable experience.

Changing the culture is a dealership is never easy, December will be two years since the buy/sell. We have come a long way since then but still have a lot of work to do to get the morale in a better place. Showing recognition to our employees and taking time to have an event or two quarterly to show appreciation I think will go a long way.

Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis			
Competitive	\$ 2,038	÷ 27.70	= 73.56	FRH Average			
Maintenance	\$ 5,077	÷ 45.40	= 111.82	FRH Average			
Repair	\$ 46,067	÷ 316.70	= 145.46	FRH Average			
Totals	\$ 53,181	÷ 389.80	= 136.43	Customer ELR			
Target Labor Rate			132.00	Per FRH			
Total Ro's in Sample	100	Difference		4.43 Per FRH			
Cost of Labor							
Total Cost of Labor	11278.88	÷ Total Sales	= 21.21%	Percent Cost of Sales			
Total Cost of Labor	11278.88	÷ Total FRHs	= 28.94	Cost per FRH			
Repair Order Measurements							
Total Labor Sales	53,181.37	÷ Total ROs	= 531.81	Avg Labor per RO			
Total FRHs	389.80	÷ Total ROs	= 3.90	Avg FRH's per RO			
Menu Sales		÷ Total ROs	=	Percent Menu Sales			
Competitive FRHs	27.70	÷ Total FRHs	= 7.11%	Percent Competitive			
Maintenance FRHs	45.40	÷ Total FRHs	= 11.65%	Percent Maintenance			
Repair FRH	316.70	÷ Total FRHs	= 81.25%	Percent Repair			
One item ROs	56	÷ Total ROs	= 56.00%	Percent One Item RO			
Model Year Analysis							
2022	2021	2020	2019	2018	2017	Older	Total
0	2	14	14	14	13	43	100
0.00%	2.00%	14.00%	14.00%	14.00%	13.00%	43.00%	