Adam Holcomb

Golling CJDR of Roseville MI

NADA Class #393

Strengths

1. Good technicians. Our service department has high quality technicians.
2. Large customer base. A large customer base came with the buy/sell to build on to.
3. Dense population in our area. Roseville is home to over 50,000 people. The neighboring communities also have over 100,00 people to service.
4. Great Location. Currently we are located on Gratiot Ave. in Roseville MI. We are very close to I94, and 696. The store is very visible, and close to two major motorways.
5. Re-furbished service department and showroom. When the Golling's bought the store, they completely re-furbished the service department. New hoists, and all new equipment. Currently we are going through a remodel for the entire showroom.
6. Owners that care. The Golling's not only care about their building, but they also care for their employees.
7. New Service management. We changed our service management in January. The new management is eager, and willing to try new ideas.
8. The Golling Groups reputation. The Golling's have an impeccable reputation, and that will help to add to the customer base the store came with.

Weaknesses

1. Not enough Technicians.
2. Writers not up-selling work in the lane.
3. Parts counter is to slow.
4. New Management.
5. New Employees.
6. New processes in place and being tested.

Opportunities

1. Training the new employees, the right way.
2. Large shop. We have more space in the shop to add technicians.
3. The reputation of the Golling Group.
4. New processes helping to sell more work on the cars already in the shop.
5. Large population we can draw from in our community.

Threats

1. Employees rejecting training.
2. Overwhelming the shop
3. Bad dispatching
4. Low morale in the shop
5. Writers not maximizing the time on customers cars
6. Employees calling off work
7. New management processes

Objectives

1. Improve hours Per RO
2. Improve Customer Pay Gross
3. Simplify process
4. Maximize Technician time
5. Lower expenses in the department
6. Improve on up-sales in the lane.
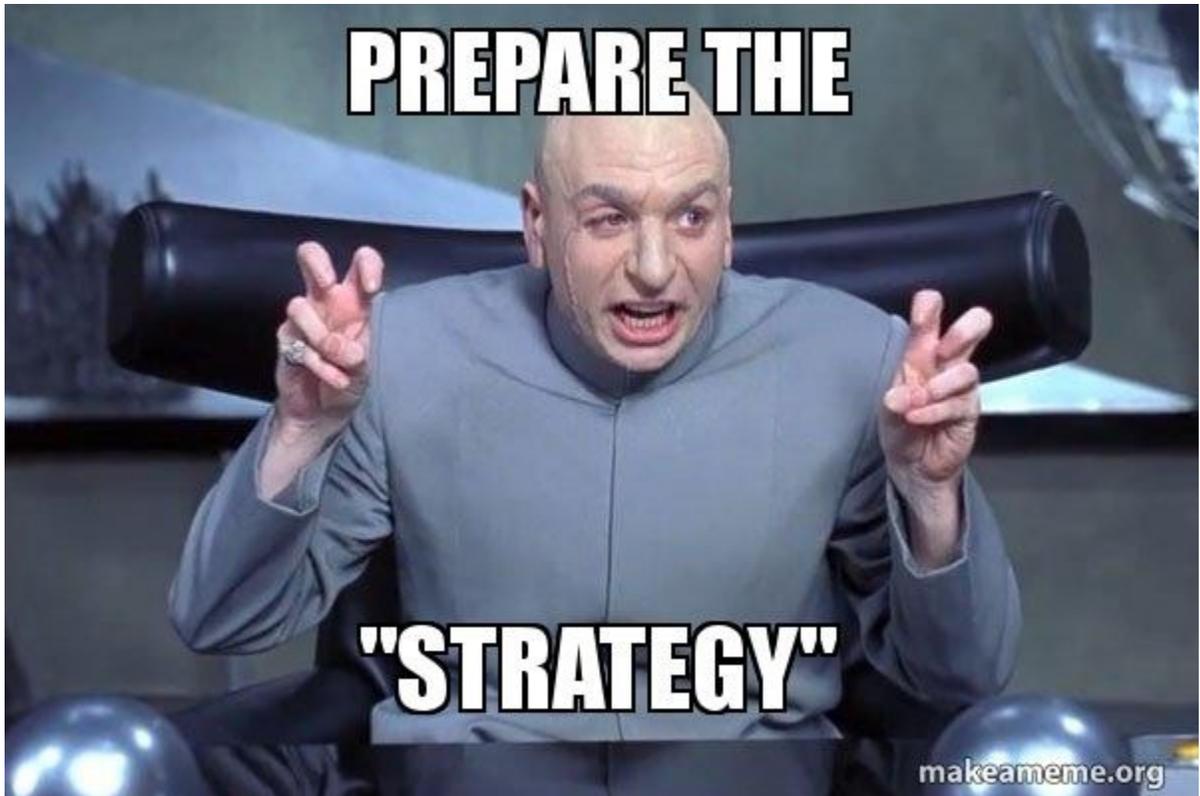
Strategies

1. Menu sales for Quick Service Writers.
2. Matrix smaller Items (air filters, wipers) one price.
3. Audit the new process for flaws and adjust if necessary.
4. Instruct parts to deliver all parts to the technician's stalls.
5. Report all lost sales in parts.
6. Pull all pay plans in the department for review and adjust as necessary.
7. Continuous training to improve hours Per RO
8. Change our hours of operation to have more sellable hours

Tactics.

1. Quick service writers MUST present all MPIs
2. Schedule appointments at times that the shop is slower (1 pm to 4 pm) and less during peak times.
3. Revamp the appointment scheduler. (We are looking at A.I.)
4. Weekly meeting with the writers, and technicians. Keep them on the same page.
5. Offer pick up and drop off maintenance. (We can keep the car longer)
6. Revamp the quick lube technician pay plan.
7. Weekly audits of lost sales.
8. Take parts out directly to the Technicians. Keep them in their stalls.
9. Change our hours to accommodate more work and sell more hours.
10. Look at increasing the door rate from 148.50 to 155.50

Objectives/ strategies/ Tactics

Print and present 50% of all MPIs (Writer) By May 1st, 80% by June 1st.

Enforce Printing and presenting the MPI's by the target dates (Service Manager/Asst. Manager) May 1^{st,} Weekly.

Arrange and Print Menus for the service writers to sell from. (Service Manager) June 1st Must be used daily.

Matrix smaller items to make it easier to sell and put into the menu. (Parts Manager) May 1st

Audit the new service processes. Make sure they are working and adjust as necessary (Service Manager). Continuous, should be done monthly.

Instruct parts to deliver parts to the technician's stalls (General Manager, Parts Manager) May 1st.

Report all lost sales. Less time on the road, ordering parts gives us more time on the job. (Parts Counter) May 1st

Enforce lost sales reporting (Parts Manager) May 1st, weekly audit.

Review all service pay plans. Adjust the pay plans to drive the behavior for continued growth in the lane and in the shop. (General Manager/Service Manager) May 1st

Continue training and coaching our employees. We need to consistently reinforce the training, as well as hold them accountable to the process we put into place. (General Manager/Service Manager). Continuous, monthly basis.

Extend our ours of operation. Currently we are 7am to 6pm Monday – Friday, Saturday 7 am to 2 pm. By extending ours of operation we could create more time to sell, and service customers. (General Manager) May 1st

Adjust scheduled appointments to slower times of the day. We are also looking into A.I. technology for appointments. A.I. Never take the day off. (Appointment scheduler/General Manager) May 1st

Enforce weekly meetings to have clear lines of communication. (Service Manager) May 1st

Adjust door rate from $148.50 to $155.50 (General Manager/Service Manager) May 1st.

Currently we are not maximizing each RO or the time we have sold to work on cars. We need to focus on increasing hours per RO, as well as, increasing proficiency in our shop. With the training we are providing we expect to move from our current average of 1.43 hours/RO to 2.5 hours/RO adding $158 per RO.

Training will have to be followed up with a solid process and discipline to ensure that our vision is achieved. With our process in place, we can incorporate menu-based selling, and start to present all MPIs to our customer. With menus and presenting MPIs, we will see the increase in not only hours/RO, but in CSI as well.

Decreasing the downtime of technicians is also a goal of this plan. Tracking lost sales, keeping the technicians in their stalls, and getting parts to them at the beginning of the day will increase their proficiency and will help to combat any morale issues.

We will also be looking into our scheduling process. We have started to track customer appointment and RO drop off times. After looking through the data, we identified times during the day that the store is slow on work. We plan on maximizing our appointments by scheduling appointments during the slower times and taking less appointments during peak times. We need more work during the slower times, and slow down during our peak times, we can sell more hours per RO and gain more gross per customer. Next, we are looking into A.I. for your appointments. A.I. never take a day off, and we would have less expense in the service department.

As we look at expenses, we are also looking at changing the current pay structure of our service employees. I want to build a pay plan that drives behavior such as selling more CP per RO. Regarding the writers, I would look at increasing the spiff on items like tires, alignments, and filters. With the focus on maintenance, I would like to see an increase in customer retention, and maintenance work for quick lube. As for the quick lube technicians, I would build in a spiff for finding more "main shop" work. I.E., oil leaks, brakes, and other various service work. If we can farm more maintenance work, it stands to reason, quick lube technicians will find more service work for the main shop. This would become a self-filling, revolving door of work, and gross for the department.

Last, we will look at extending the hours of operation for the department. With extended hours we could sell more work and capture more customers. This action would improve our CSI rating and allow us to service more customers.

With this action plan we plan to improve this department, and the lives of both the customers and the employees. We owe it to both to not only implement this plan, but to stick with it.

Repair Order Analysis Summary Report

	Sales in Dollars		FRH's on RO's		Averages	Analysis
Competitive	$ 2,694	÷	37.70	=	71.47	FRH Average
Maintenance	$ 1,472	÷	13.80	=	106.68	FRH Average
Repair	$ 12,650	÷	90.20	=	140.24	FRH Average
Totals	$ 16,817	÷	141.70	=	118.68	Customer ELR
			Target Labor Rate		129.00	Per FRH
Total Ro's in Sample	99		Difference		-10.32	Per FRH

Cost of Labor

Total Cost of Labor	4396.60	÷	Total Sales	=	26.14%	Percent Cost of Sales
Total Cost of Labor	4396.60	÷	Total FRHs	=	31.03	Cost per FRH

Repair Order Measurements

Total Labor Sales	16,816.50	÷	Total ROs	=	169.86	Avg Labor per RO
Total FRHs	141.70	÷	Total ROs	=	1.43	Avg FRH's per RO
Menu Sales		÷	Total ROs	=		Percent Menu Sales
Competitive FRHs	37.70	÷	Total FRHs	=	26.61%	Percent Competitive
Maintenance FRHs	13.80	÷	Total FRHs	=	9.74%	Percent Maintenance
Repair FRH	90.20	÷	Total FRHs	=	63.66%	Percent Repair
One item ROs	38	÷	Total ROs	=	38.38%	Percent One Item RO

Model Year Analysis

2023	2022	2021	2020	2019	2018	Older	Total
0	2	19	18	10	12	38	99
0.00%	2.02%	19.19%	18.18%	10.10%	12.12%	38.38%	

Labor Mix
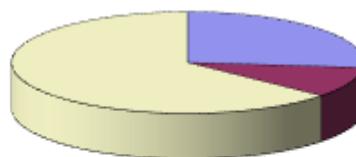
□ Percent Competitive   ■ Percent Maintenance   □ Percent Repair