

# Fixed Operations 2 service homework

**Marketing:** Our current plan is following GM-mandated CSSR program. All other marketing is done by our in-house marketing team. Our plan moving forward will be to be more involved with the marketing team to help keep costs down and target the correct type of customer to help boost hours.

**Analyze Cost of Labor:** We currently perform analysis monthly and quarterly. Our goal is to keep it in line with NADA guidelines without allowing cost to keep us from hiring qualified technicians and apprentices. Our plan moving forward will be to continue to analyze labor cost monthly and quarterly. We will also analyze ELR and labor sales monthly and quarterly to ensure that we are in line, able to provide raises as needed, and still maintain the corrected labor gross retention.

**Changes to Expense Structure:** Our current practices are to monitor non-flat rate personnel and try to limit any unnecessary overtime. We currently look at all outside services and/or contracted services to ensure billing is consistent and true to the agreed upon services. Our plan moving forward is to make sure we are unitizing all available shop hours, as well as monitoring wasted time that can be avoided. We will interview all service and parts personnel to try and identify areas of weakness that cause wasted or dead time. We will create processes to overcome these obstacles and continue to teach and adjust processes as needed to keep up with industry standards.

**Productivity:** We currently analyze productivity biweekly, monthly and quarterly. We measure and give all technicians quarterly goals. We provide all technicians their flagged hours daily, weekly, monthly and quarterly. To obtain a quarterly bonus, each technician must meet or exceed their average hours flagged for the quarter plus 10%. Our plan moving forward is to help each technician and advisor overcome any and all obstacles that they see on a daily/weekly basis to ensure they have the tools and information needed to meet and exceed their goals. We provide ongoing training and support to each advisor and team leader to help them communicate with each other to shorten diagnostic and approval times.

**Facility:** We always thought we needed more space, more bays, more technicians! It is clear that is not the case! After taking a dive into our facility usage I see there is great room for improvement. We will continue to analyze technician productivity and ROs to help identify areas of improvement. Reviewing ROs daily and allowing advisors to know what their inventory of hours to sell each day will be our first step starting now!

**100 Repair Order Analysis:** We reviewed 100 ROs and found we do a lot of things right. We also found we need to help and train our advisors with one line repair orders. We found that 60% of the repair orders written are one line repair orders. We have put a plan in place starting 12/12/2022 which will have the service manager reviewing ROs daily and discussing with advisors and technicians to help identify ways to eliminate this issue. He will provide goals and objectives for technicians and advisors. We will continue to do RO analysis weekly and monthly to keep the information available to all involved fresh. We feel that if we can affect a 10% change in these type of repair orders, not only will it affect productivity, but also facility use. We will work with our marketing team to build a plan to help bring higher-mile vehicles in to service and promote the value of our free MPVI.