

# Service Department Analysis for Columbia CDJR

Eric Collier

Class 416

## **Strengths**

1. Rapidly growing area. The county where the store is located is the 10<sup>th</sup> fastest growing county in the U.S.
2. Continuity with service manager and shop foreman.
3. We provide a loaner fleet for customers which is well received.
4. This store is 50% owned by a large group which allows us to have access to resources that smaller stores wouldn't have.
5. Our customer experience numbers are higher than the rest of the dealerships in our region.
6. We have plans to build a new facility 6 miles north of our current store. This move would give us the opportunity to attract more of the affluent customers that are north of us.

## **Weaknesses**

1. Outdated facility.
2. Saturday is an awful day for us compared to the hours that we complete Mon – Fri.
3. Service management are not experienced with marketing.
4. We are losing money in our service department each month.
5. Technician efficiency ratings are below 100%.
6. We have several new technicians.

## **Opportunities**

1. Cultivate talent within our dealership.
2. Expand upon the apprenticeship program that was recently put into place pairing up experienced technicians with ones needing coaching.
3. A growing market in a desirable place to live which can help us attract technicians from out of state.
4. More coaching and feedback sessions with technicians so they understand the expectations.
5. Enhancing the culture we can attract and retain technicians.

## **Threats**

1. All the dealerships in our market have upgraded their facilities making it more attractive for technicians. We have not yet made any improvements.
2. We had several technicians and a shop foreman hired away by outside shops.
3. There are more dealerships in our market than before, making the competition for technicians more fierce.
4. Less inventory decreases the number of sales and trade-ins. This reduces the amount of work that service has available.

## **Objectives**

1. Improve the culture of the technicians.
2. Cultivate talent internally.
3. Improve customer pay repair orders. We have too many oil-changes and one-liners.

4. Improve the relationship between parts and service.

### **Strategies:**

1. Have experienced technicians do the diagnostic work.
2. Fine tune the apprenticeship program so we can increase the knowledge of the newer technicians and increase work quality of the service department.
3. Improved stocking of parts so we can enhance technician and customer satisfaction.
4. Improve the communication within the shop by sharing the expectations and tracking of goals.

### **Tactics**

1. Service manager must continue to share weekly goals to technicians and provide support to ones that are not achieving their goals.
2. Increase marketing activities to increase the mix of maintenance work.
3. Tweak the apprenticeship program to reward experienced technicians for retaining newer technicians and improving their efficiency.
4. Setup weekly review meetings to discuss the trends of the month and marketing strategies.

### **Task**

1. Implement an apprenticeship program. Service Manager  
12/1/2022

2. Track the efficiency of the shop and communicate those results to each technician daily. Service manager  
12/1/2022
3. Remove all minimums paid to technicians. 12/1/2022  
Service Manager
4. Weekly Service and Parts Manager meeting. General  
Manager 12/1/2022
5. Adjust pay plans to or a percentage of the pay plans to pay  
off net versus gross. General Manager Feb 1, 2023
6. Monthly marketing meetings with the service manager to  
review success of marketing strategies. General Manager  
Feb 1, 2023

## **Synopsis**

At one time, we had one of the best shops in the area. We no longer produce the 550 plus hours a week. It's evident that the culture of our shop has shifted and we not providing the best environment for technicians to excel. Moreover, there is no accountability to technicians that have chronically underperformed. In fact, many of them were on guaranteed hours.

The main objective moving forward will be shifting our culture to one that values productivity and meeting expectations. We will enhance the rewards for the individuals that adapt and lower rewards to the one that can't.

I am optimistic about our future because of the area that we are in. However, I am not sure I have the leaders in the place to bring us back to being the best shop in town. In the first 3 months of 2023, I will be setting the goals for Service and see if they can step up. If they cannot, then we will have to find manager that can.