

My long-term goal is to improve the culture in the dealership. I will begin by fixing the phones in the service department by June 30th and recognizing the employees that have excelled in helping achieve this goal.

The atmosphere in our parts department is quite depressing. The front counter people rarely smile and seem overwhelmed. Our mystery shop revealed a 15-minute wait time to get someone on the phone. I believe we are running the department too lean. The front counter people have been in their position for over 20 years and changing their rather bad habits will not be easy. I think we should:

- a. Hire a young enthusiastic person "apprentice" for minimum wage with quarterly bonus opportunities. Have them train in the BDC before they begin manning the phones. Provide all counter people with word tracks for taking phone calls.
- b. Require counter people to look up all customers in the CRM - thus cutting down on telling customers we can't help without a VIN. If new to our business, add them to the CRM.
- c. This apprentice can also assist with SOPs. We have many customers that are followed up with once or not at all.
- d. Reduce time a call is bounced to BDC from 4 minutes to 2 minutes.
- e. Publicly recognize outstanding improvement at monthly service department meetings - thus incentivizing others to strive for positive reinforcement.

The benefits achieving this goal are:

- a. Less overwhelmed staff, thus making it easier to be patient and friendly with customers.
- b. Increase revenue - we will get a higher percentage of people in for SOPs, as well as capturing customers we are losing by not answering phones or asking them to call back with complete information.
- c. Growing a potential younger work force that has been properly trained and sees growth potential in the organization.

The consequences of not achieving this goal are:

- a. Cranky employees that don't feel appreciated.
- b. Customers that are made to feel like an inconvenience and apt to shop elsewhere.
- c. Bad social media reviews
- d. Lackluster revenue

I will track progress with our phone analytics system. There are reports that can be run to show exactly what is happening from the time a call comes in until it is a hang-up. I can also ask BDC manager to keep track of parts calls that have been bounce to her department. I will monitor progress weekly. We can also run reports in the CRM to see if a customer is only coming to our establishment for parts

Obstacles

The largest obstacle is getting employee buy-in. Employees that have been doing this for years are very reluctant to change. I particularly think getting them to use the CRM will be a struggle. The parts

manager too has been with us for 20+ years and may not be as enthusiastic and necessary to make this work. Another much more difficult problem is getting my partner's buy in. It is my opinion that we are running too lean in head count. I think you have to spend money to make money and we for sure have differing opinions on that front.

I have found positive reinforcement works well. I also have jumped in personally to do what I am asking of my employees. Until we hire a few more people in parts (and a front counter phone person in particular), I will spend some time in the parts departments pitching in. I have found in the past that employees are motivated when they know the owner is prepared to roll up their sleeves and help to make things better.

I believe we can increase gross by \$500M/year in parts alone.

Inspect what I expect. To ensure that we maintain and build on progress I will require the parts manager to continue to monitor the various reports that were instrumental in achieving our goals. I will check in monthly with parts manager to make sure that he has the resources necessary to maintain his workforce. Also, as we increase our business, I will ensure we have the bodies to service our customers. Also, as we hire new employees, we will require they spend two days in the BDC and learn how to speak with a customer on the phone in addition to providing word track.