

## Class N415- Swann Kim Post Homework --- April 2023

- 1) **Marketing:** As of right now we don't have anything for marketing other than email blast for selected holidays. However we are in the process of having Automotive Mastermind join our organization to campaign for our existing clients. We also will present/offer our buyers protection plan (BPP) which help retain and provide new clients . It will offer some extra coverage on mechanical and maintenance with \$70 vouchers every 120 days to use in service or parts department. We can complete this within 60 days
- 2) **Analyze Cost of Labor:** We can use a little more increase help by raising the door rate for labor by \$10 that have a domino affect for all R.O.'s we create. We should also have all internal work at the same door rate (\$165). We can complete this in 30 days
- 3) **Changes in Expense Structure:** Currently we are not selling all available hours. Our service and parts hours are from 0700 to 1900hrs which is 12 hours in a day. To maximize every available hour I would like to have two shifts. First shift from 7am to 3pm the second shift from noon to 8pm increase the service hours by one. We can complete this 60 days
- 4) **Productivity:** Invest in training and encourage your techs to stay up to date with latest technologies and techniques. Provide them with online training resources like webinars and videos. Create a positive work environment along with a comfortable and safe workplace with good benefits. Make sure they have the latest tools and equipment. Promote teamwork and collaboration, implement quality control measures. Have a well organized workspace for your techs that's clean. We can complete this relatively quick.
- 5) **Facility:** Review the production process and try to identify areas where efficiency can be improved. Increasing staffing levels or increase output and reduce bottlenecks. Implement a maintenance program and implement flexible scheduling. Have performance metrics to: track efficiency and productivity along with benchmark for future performances.

## SWOT:

### Qualitative Analysis - Strengths

- a) Our service advisors all have been with the organizations together for over ten years. They demonstrate good teamwork along with great customer service with the knowledge and experience to handle every situation that arises every day.
- b) Twenty five of our forty technicians all have been here for more than fifteen years and eleven of them are master techs.
- c) Most of service staff are loyal and have been with the company for a good duration.

### Qualitative Analysis - Weaknesses

- a) Service hours should stay open till at least 8pm, typically our sales department is a late store where clients come during evening times after work.
- b) Some our more experienced and tenured technicians tend to leave before service hours are over.
- c) We don't have a very planned out marketing for our service department.

### Qualitative Analysis – Opportunities

- a) We have new hospital and shopping mall being built in our area.
- b) Create two shifts for our tech's to maximize our hours open in service.
- c) Have service clinics twice month.
- d) Have a marketing plan to advertise for the new employees working at the hospitals and shopping mall with a complimentary oil change.

### Qualitative Analysis – Threats

- a) Our routine maintenance work is higher in price than some of the local stores.
- b) Some of our more experienced technicians are not far from retirement.
- c) A lot of competitors in our PMA that are under pricing routine repairs.

### OBJECTIVES:

1. Have extended service hours for late clients coming in after work.
2. Begin recruiting for new tech's and start training the A tech's to become B techs
3. Market research local auto shops to be price competitive.

### STRATEGIES:

1. Balance scheduling and compensation for extended hours and having two shifts
2. Have service and technician meetings beginning of every week to go over week weekend productivity and efficiency.
3. Maximize door rate to increase labor sales.
4. Provide loaner car's instead of just a shuttle bus.

### TACTICS:

1. Optimize workflow by streamlining the processes and using technology to automate tasks.
2. Improve customer service by offering convenient hours and online appointment bookings, providing clear communication about repairs and offering competitive pricing.
3. Upsell and cross sell services by offering additional services like tire rotation or oil changes.
4. Encourage clients to invest in preventive maintenance such as regular oil changes Brake inspections, and tire rotations.
5. Promote special offers like discounts or free services through social media email, or direct email campaigns.
6. Invest in training and more training to ensure they have the skills and knowledge Needed to provide high quality service.

#### ACTION PLAN:

Task: Performing perpetual market research. Role: Service manager/advisors. Complete May1st

Task: Weekly meetings service & parts. Role: Service & Parts manager. Complete May1st

Task: Extend Service hours. Role: GM, Service & Parts manager. Complete May1st

Task: Implement two shifts. Role: GM & Service manager. Complete June 30<sup>th</sup>

Task: Training & development. Role: Service manager/advisors. Complete May1st

Task: Monitor key metrics. Role: Service manager. Complete May1st

Task: Increase revenue. Role: GM, Service manager & advisors. Complete May 31<sup>st</sup>

Task: Optimize staffing. Role: Service manager. Complete July1st

Task: Incentivize foreman & advisors. Role: GM. Complete May1st

Task: Monitor SOP. Role: Service & Parts manager. Complete May 1<sup>st</sup>

Task: Invest in technology & special equip. Role: GM & service manager. Complete July1st

#### SYNOPSIS:

It is important to extend the service hours to capture additional work and not lose opportunity in maximizing gross profit. We can certainly add more to our service staff before our current line of technicians who will retire in a few months. We need to provide more training and webinars for our service techs. We need to devise and create a good marketing campaign for our local area so that we don't encounter a potential loss in client base. We need to revisit the compensation plan for all techs before we extend hours and create two shifts. We should have a bulletin board in the tech's lunch room so that we can display individual tech efficiency and average hours per RO.

I think all in all we have the crew in our service department that can and will adapt to any request the store has to maximize and provide all with a remunerative income.