



## 10 Key Habits of Top Performing Service & Parts Operations Beyond 2024





Presented by: Ken Barnes, Director of Sales Dealer*PRO* Training results@dealerprotraining.com 888-553-0100 www.dealerprotraining.com



## About Ken Barnes

Ken was born and raised in a small town in Northeast Oklahoma and grew up working on cars. So, it was natural that he would continue his education at nearby Pittsburg State University where he graduated with a Bachelor's degree in Automotive Technology and a minor in Business Administration. Prior to DealerPRO Training, Ken spent 25 years in Fixed Operations Departments, working for franchised auto dealers – first as a Technician, then Shop Foreman, and, ultimately, Fixed Operations Director for a large dealer organization overseeing 300 employees, grossing over \$900,000 per month in Fixed Ops. Currently, he is the Director of Sales Operations for DealerPRO Training, where he has worked with hundreds of Auto and RV dealerships for the last 15 years. Ken's vast experience in the US and Canada, helping dealers increase profits in Fixed Operations and improve their overall performance, has brought him to the forefront as being one of the industry's most knowledgeable guest speakers. He presents workshops at NADA, Performance 20 groups, ATD, NATDA, RVDA, NTP Stag and Hunter Engineering-sponsored workshops amongst others.

Dealer*PRO* Training is the largest Performance-Based Fixed Operations Training Organization in North America. Our exclusive Performance Driven Training builds your team into top customer retention specialists. Our proven, in-dealership performance driven training initiatives have produced additional gross profits for our dealers that beat their previous year's performance by up to 30% or more. We've accomplished these remarkable results by NOT being "consultants" in your dealership. But by being Trainers....teaching and coaching your dealership service team to provide every customer with the highest level of service they possibly can on each and every visit.

#### Voted #1 Fixed Ops Training Company in the U.S.



- Announced in June 2017 by Auto Dealer magazine, Dealer*PRO* Training was voted #1 in the category of Fixed Ops Training. Over 2,600 Dealers participated in the "write-in" survey.
- Given the modest size of our company, as well as our small marketing/advertising budget, this speaks volumes about the impact our training has on Dealers, their Dealership's profitability and their employees, all over the U.S. and Canada.
- We believe it's also because we understand the retail service operation like no one else...and achieve results...like no one else!



## "The Biggest Room in the World is the Room for Improvement."

#### Ask Yourself: When was the last time? Advisors:

- □ Your Advisor presented a Maintenance Menu to a customer?
- □ Your Advisor(s) shared the features AND THE BENEFITS of a service with your customer?
- "When was the last time you had your (Wheel Bearings Packed, Generator, Furnace, ) serviced?"
- □ Your Advisor(s) treated your customer as if they were the most important person in the world? (higher level of customer service)
- □ Your Technician performed a thorough MPI and your Advisor(s) presented the results to your customer?

#### Dealers/Managers:

- □ The Service Manager had 1 on 1 meetings with the techs to discuss their billed hours and productivity?
- □ You did a repair order analysis?
- □ You held a shop meeting?
- □ You performed a parts inventory?

### 10 Habits of Highly Efficient Service & Parts Operations

#### 1. Print an Open RO Report

- How old is the Repair Order?
- Why is the Repair Order not closed?
- Is it Warranty or Customer Pay?
- How many Parts Dollars are frozen?
- How many Labor Dollars are frozen?
- Are these ROs collectible?
- Who is *RESPONSIBLE* for outstanding ROs?

#### 2. Prepare a Customer Pay RO Analysis

- What percentage are *ONE ITEM* Repair Orders?
- Are maintenance services being presented/sold?
- Was an MPI completed and reviewed with your Customer?
- What is the average age of the units in your shop?
- Are shop supplies being charged consistently?



## 10 Habits of Highly Efficient Service & Parts Operations (Cont.)

#### 3. Measure Technician Productivity by Individual Performance

- How many hours is Tech on the clock?
- How many hours are billed on their ROs?
- How many hours on their open RO Report?
- Ask underperformers:
  - "How can I help you be more productive?"
- Use Performance-based incentives for <u>ALL</u> Technicians?

#### 4. Conduct an Equipment Evaluation

- Which equipment needs *REPAIR* or servicing?
- Which equipment needs to be *REPLACED* and why?
- Do you have the *RIGHT* equipment for your work mix?
- Do you have *ENOUGH* equipment for ALL Technicians?
- Hold a Shop Meeting with *ALL* Technicians
  - "Thank you for doing a great job!"
  - "If there was just one thing I could do for you...."

#### 5. Conduct a Physical Parts Inventory

- Inventory conducted a MINIMUM of once year?
- Is physical inventory HIGHER than book inventory?
- Evaluate stocking level for FAST-MOVING parts?
- Plan for *ELIMINATING* slow-moving parts?
- Evaluate parts sources for *PRICING* and *SERVICE*
- Are Technicians your #1 customer in parts?

#### 6. Train Advisors on Effective Communication Skills

- Phone skills for properly scheduling appointments
- Presenting preventive maintenance menus
- Present the Multipoint Inspection Recommendations
- Better communication with Technicians on CP Ros 3 Cs
- Giving customers features AND BENEFITS of services/repairs
- Proactive status updates to customers



### 10 Habits of Highly Efficient Service & Parts Operations (Cont.)

#### 7. Analyze your Profit Margins

RETAIL LABOR MARGIN:

- Are ALL hourly technician wages being charged to cost of sale?
- Using variable labor rates based on skills required for repair?
- Retail Labor Gross Profit Margin at least 75%?
- Using an *ESTABLISHED* Rate Guide for estimating repair time? <u>RETAIL PARTS MARGIN</u>:
- Retail Parts Gross Profit margin at 40% or higher?
- Parts Pricing Matrix in place?
- Are you shopping vendors for best pricing and service?
- Vendors pay incentives to employees for buying from them?

#### 8. Train Parts Personnel on Communication Skills

- Giving features AND BENEFITS to customers looking for parts/accessories
- Convert a parts customer to a service customer?
- How to package parts/accessories for increased sales per ticket
- Deliver parts to technicians; treat them as your #1 Customer
- Consistent Special Order Parts tracking

#### 9. Evaluate your Fixed Coverage

DEFINITION OF Fixed Coverage Total Service and Parts Gross Profit \*divided by\* Total Dealership Overhead Expenses

(not to include sales dept. variable selling expense)

- Is your Service Absorption below 100%?
- Are your Expenses too high?
- Are your Gross Profits too low?
- Are BOTH expenses too high and profits too low?
- Do your Service & Parts Managers understand Absorption?
- Are you COMMITTED to achieving 100% absorption?



## 10 Habits of Highly Efficient Service & Parts Operations (Cont.)

#### 10. Evaluate your Employee Compensation

- Are ALL Service and Parts employees on a performance-based pay plan?
- Are Managers on salary PLUS percent of departmental profits?
- Are Advisors incentivized on their individual performance?
- Do ALL Technicians have a pay increase based on the number of billed hours?
- Is your Parts Team incentivized on Increasing Technician Productivity and achieving 40% gross profit margin?

#### "The Measure of Success is not whether you have a problem to deal with, but whether it is the same problem you had last year."

-John Foster Dulles, Former Sec. of State under Eisenhower







#### **Business Plan For Achieving 100% Service Absorption**

#### Dealer*PRO* Training will perform a 2 Day, In-Dealership Proft Potential Analysis of your Service and Parts Operation, focusing on the key measureable retail profit opportunities in your dealership for achieving 100% Service Absorption.

#### Identify Your Opportunities for Profit Improvement

Service Advisor's Sales Performance Labor Gross Profit Per Repair Order Scheduling Processes One Item Repair Order Analysis Production Structures 24 Month Retail Trend Analysis Technicians' Productivity Analysis Parts Gross Profit Per Repair Order Profit Margins Quick Lube Sales Analysis Selling More Appointments Telephone Processes



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#### DealerPRO Performance Improvement Plan (PIP)

#### **Unleash Your Dealership's Full Potential**

Dealer*PRO* Training's Performance Improvement Plan (PIP) is specifically tailored for RV dealerships seeking to elevate their fixed operations. This strategic solution is designed to boost profitability and customer satisfaction in your service and parts departments through meticulous analysis and proven methodologies.

#### **Program Highlights**

- 1. On-site Evaluation:
  - Two-Day Comprehensive Review: Dive deep into your fixed operations with a 24month analysis of service and parts financials, customer pay repair order analysis, and direct feedback from service advisors and managers.
  - Performance Assessment: Receive a detailed evaluation of your current practices to identify critical areas for improvement.
- 2. Customized Improvement Plan:
  - Tailored 8-Page Report: Benchmark your performance against industry standards with customized strategies to achieve your goals.
  - Actionable Strategies: Specific recommendations to enhance productivity and profitability, grounded in real data.
- 3. Key Focus Areas:
  - Growth Strategies: Innovative approaches for both service and parts departments to expand and thrive.
  - Employee Development: Motivation and retention strategies that foster a highperformance team culture.
- 4. The DealerPRO Advantage:
  - Increased Profitability: Sharpen your operations to significantly improve profit margins and ensure sustainable growth.
  - Boost Customer Retention: Deliver superior service experiences that keep customers coming back, enhancing loyalty and reputation.
  - Operational Excellence: Streamline processes for peak efficiency, enabling you to serve more customers without compromising on quality.

#### ACT NOW FOR A THRIVING FUTURE

Don't miss the opportunity to transform your RV dealership into a benchmark of success in the industry. Complete this form on the back and return to Dealer*PRO* Training to schedule your Performance Improvement Plan evaluation and start on the path to remarkable profitability and service excellence.

# **SERVICE SERVICE TRAINING** For as low as \$495/month

- > IMPROVE SERVICE PROCESSES FOR BETTER SCHEDULING AND SHOP PRODUCTIVITY
- > SELLING SKILLS THAT HELP CUSTOMERS MAKE INFORMED CHOICES AND INCREASE SALES
- > EFFICIENT CALL HANDLING AND TIME MANAGEMENT
- > INCREASE CUSTOMER SATISFACTION WITH AN OVERALL BETTER SERVICE EXPERIENCE

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✓ SERVICE ADVISORS
✓ SERVICE MANAGERS
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✓ OWNERS



All Training Programs qualify as credit hours with the Mike Molino CENTER Developing Top Performers

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## Get Dealer *PRO*-Certified Service Training In-Store, Online, or attend a Workshop

Dealership:			
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Best Number to Reach You:			
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Address:			
City, State, Zip:			
# of Advisors: # BDR's # of Technicians:			
Tentative Dates:			
CREDIT CARD PAYMENT OPTIONS: (Please circle one.) MC VISA AMEX			
I authorize Dealer <i>PRO</i> Training to charge my credit card \$			
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Exp. Date: Security Code:			
Signature of Cardholder:			
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## \$5,995\* 3 Day In-Dealership Advisor Training

3 Days, In-Dealership Selling Skills, time management, customer service skills \*Plus travel expenses

## \$1,495/ \$2,495 Advisor/Manager Course

2 Day Advisor 3 Day Manager Workshop Columbus, OH

\$495 Online Advisor/ Manager Training 88 chapters, testing, certification; train in your store, no travel



**Exclusive Offer for RVDA Attendees...** 

## FREE Technician Gross Profit Calculator & Profit Improvement Plan

OFFER EXPIRES December 31st, 2024 email: kbarnes@dealerprotraining.com or call 614-582-0674



