

# Extracting value from your service dept.

*Creating a controlled shop environment boosts customer relationships*

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"Imagine two companies: One retains 95 percent of its customers each year, while the other retains only 90 percent. If all other factors are equal, the 95 percent company will double its customer base every 14 years, while the 90 percent company will experience no real growth." — Frederick Reichheld, Harvard education business loyalty expert and best-selling author

Sadly, these are actually very rare numbers in powersports, where common reality is closer to 50-60 percent. So why is that?

It is often stated that sales sells the first bike, and service sells the second and third. Or in other words, by default, long-term control of the customer relationship is handed over to often stressed-out service writers and too-busy service managers.

And not only do they manage the customer, service is also responsible for maximizing technician time. So why are the trusted handlers of these extremely important assets being asked to do their job using processes and perspectives as ancient as the industry itself?

Customer relationship management programs are highly effective at driving customers in, and dealer management software is great

at handling the vehicle, parts, customer data, sales and business administration. But service employees and managers must successfully

manage the dynamics that exist between vehicles, customers and technicians by using only a desk calendar or a basic scheduler that's function is solely to "block technician time." That's sort of like asking a technician to rebuild a transmission using the bike's supplied toolkit — chances of smooth shifting afterwards won't be great.

What is needed to aid smooth sailing between the complex service dynamics is

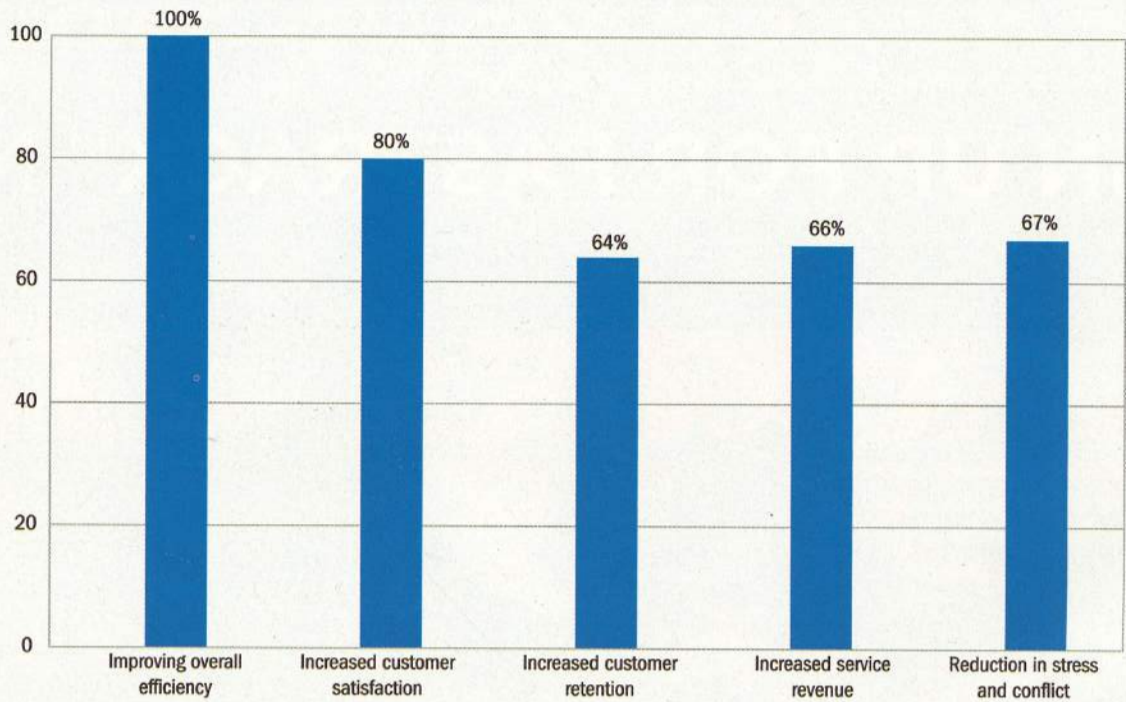
a predictive scheduling and customer management/communication program, to create a controlled shop environment that is both efficient and effective. Enter SchedulePower.

SchedulePower, incorporated in 2005, was developed by myself to make service departments in the powersports, trucking and automotive segments more efficient and profitable.

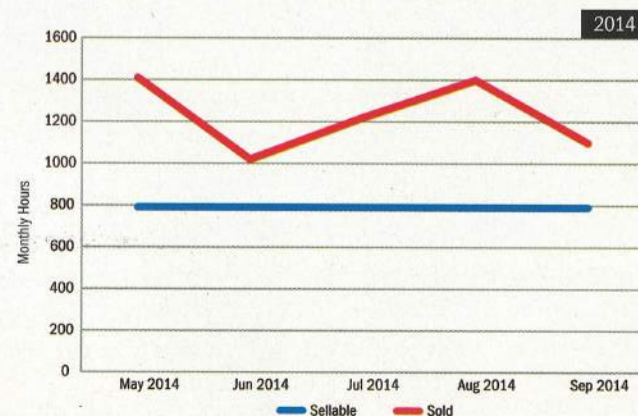
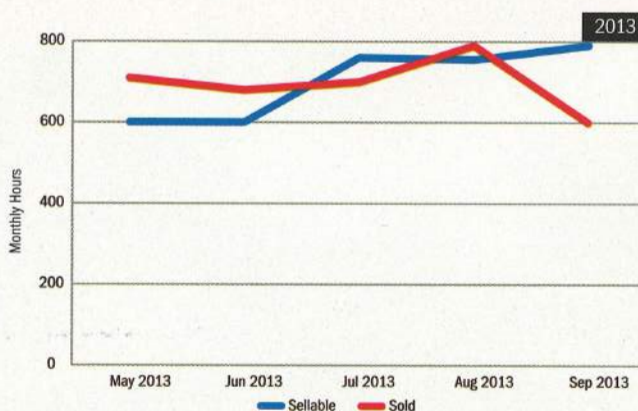
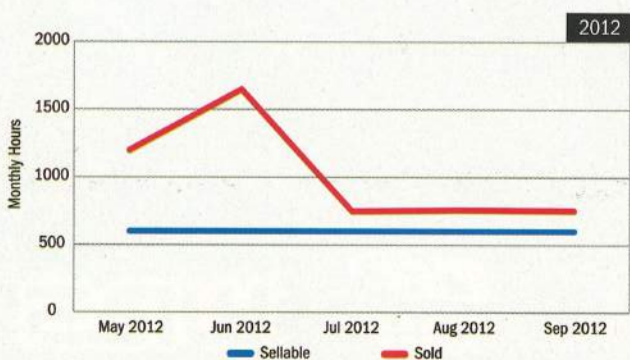
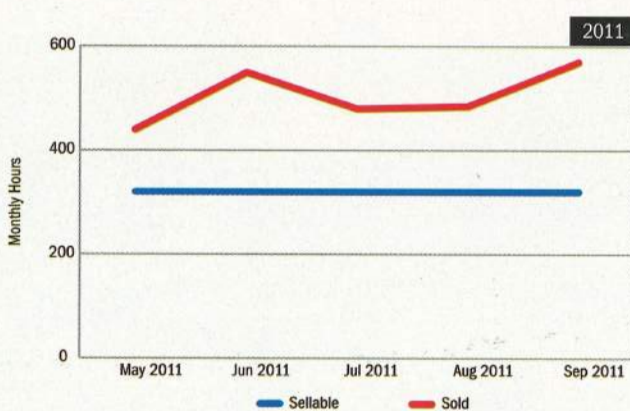
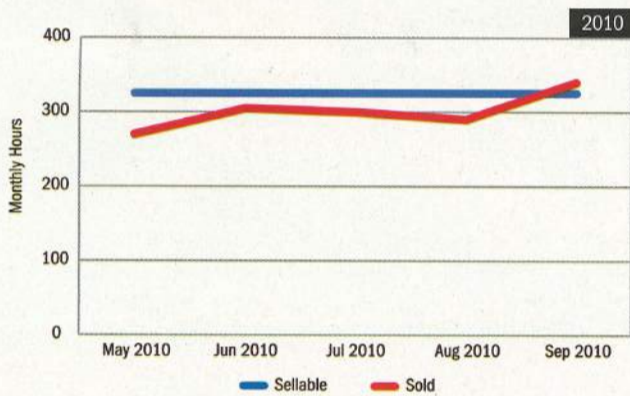
## EVALUATING THE GROWTH

The chart above displays the results of a survey returned by dealership service department users, evaluating the results of such a predictive scheduling system. This system was specifically designed to help service writers and managers maximize department time and communicate better with customers.

**THE ADDITION OF SCHEDULING SOFTWARE**  
**THE PERCENTAGE OF DEALERSHIP SERVICE DEPARTMENTS THAT RESPONDED "GOOD" OR "EXCELLENT" TO POST-IMPLEMENTATION QUESTIONS REGARDING SCHEDULING SOFTWARE FOR THE SERVICE DEPARTMENT**



Source: SchedulePower



The other graphs show actual year-to-year results from one early adopter.

(Notes: The busy months of May-September are used for comparison. Sold time above sellable time indicates time billed for a second lift, and the pleasure of very efficient technicians. Second lift was not recorded in 2013.)

**2010 Staff:** Two technicians, service manager, two service advisors and one warranty administrator/service writer. Previously all business was first in first out, before implementing a predictive scheduling system and training their customers to make appointments.

**2011 Staff:** Two technicians, service manager, two service advisors and one warranty administrator/service writer. Production continued to rise as processes continued to be refined.

**2012 Staff:** Four technicians, service manager, two service advisors and one warranty administrator/service writer. Economic and reputation-built business growth requires more technicians; the expanding business is competently handled by a tight team using a tight system.

**2013 staff:** Fifth technician added in June, service manager, two service advisors and one warranty administrator/service writer.

**2014 staff:** No changes made to this winning team.

The benefits of using predictive scheduling:

- Customer time is respected
- Customer service is improved, better customer retention
- Improved utilization of technician and staff time
- Emergency schedule changes are manageable
- Customers are easily brought in for their first service — the most crucial time to establish a relationship with service
- The ability to hire more technicians without having to add more support staff
- Staff turnover does not compromise intellectual property or unreasonably disrupt workflow. **PSB**

Joe Arcuch is the founder of SchedulePower.