



Why Systems, Process & Discipline are key to High Performing Service Departments

by John Higgins

A few years ago, one of the Service Department Operations I was responsible for was a chronic underperformer. Our customer satisfaction ratings were deplorable, technician turnover was at seventy percent, technician efficiency was below forty percent, and our service manager and service writer turnover were three hundred percent in one year. On top of that, our warranty recovery was disastrous, and profitability was nowhere to be found

After several quarters of deep challenging discussions with the branch manager and his team, I decided the only way to get this problem figured out was to step into the department and see the operations for myself. With the help of a few of my key senior operations team we interviewed, watched, and listened to all the employees, managers and several key customers

It became very apparent that the only system present was "Chaos". None of the team members really understood what was wrong or how to fix it. No one understood that we needed systems and processes that we all understood, could learn and practice to become good at what we do. It was very easy to see how without strong process

thinking and strong leadership every new hire very quickly became frustrated and overwhelmed by the “Chaos”.

Having a strong background in process discipline training, I knew we needed to go right back to basics and build a winning set of process that we could teach, coach and measure, to bring discipline, accountability and success to the team. Our first step was to recruit a strong process thinker who could work with the team to design and map the correct processes.

With the successful recruitment of our process manager we started the slow but very necessary review, design and test program. We wanted all our employees to be a part of and contribute to the new “Excellence in Service Operations” project and we ensured that happened. On a daily basis the project team leads met and reviewed all the activities for the day, good or bad and discussed how the system and processes worked or did not and why. Being able to review and test in real time was a very high value add to the experience for everyone. Over the next several months our senior operations team met with the project team, employees from other interacting departments, customers and the OEM to solicit their feedback and to ensure we were building into the outcomes what was important to them.

One year later we felt we had the strong foundation for a winning formula. We hired a new service manager and he walked into a system that was working well. He was able to quickly learn the processes and add additional value based on his experience. Our service writer who was with the project from the start was operating very efficiently and wasn't feeling the workload chaos from before. Technician turn over dropped to twenty percent, and our employee and customer satisfaction scores were steadily climbing. The other big wins for us, improvements in financial performance we had never seen and Service Operations KPIs that were “Best in Class”

The following year we implemented the systems, processes and discipline into the other division's branches with the same positive results. We also launched a project to test the idea in two other operating divisions with the same trends emerging. Two years later a new company wide initiative called “Service Optimization” was launched as a key strategic driver. The goal was to install the systems, processes and discipline so all service departments could enjoy the positive outcomes. This effort has continued across the organization and still continues to improve in all areas.

Once again it was proven out that developing good systems, processes, and ensuring strong discipline around execution will deliver the results we are looking for. Having the ability to teach existing and new employees a system we know works is a game changer for “Service Department Operations”.

To learn more, get in touch with the author of this article, John Higgins at jhiggins@dfs-solutions.com or visit www.dfs-solutions.com/services-consulting.

