



AUTOMOTIVE TRAINING INTERNATIONAL

Opportunity Management – The Future of Service Management

The role of a Service Management is almost as varied as the number of Service facilities in the industry, so I will simply state that the objective/function/role of every Service Manager is to grow the service business profitably. The word growth may seem obvious yet vague, so for the purposes of this article, let us define Service growth as increasing customer count, increasing frequency of visits, increasing customer satisfaction and retention, increasing parts and labor sales and ultimately increasing gross profit.

As much as these elements may seem obvious, history has proven that most Service Management, in fact, most Dealers do NOT Manage or Coach these elements, they are simply aware of them and the results are measured. By awareness, I am not suggesting that these items are not being treated as important, quite the contrary, Service Management does intensely look at their sales, their CSI, etc and they recognize where they are doing well, and which areas are not “doing well”.

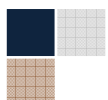
I pose the question: Do they really look at the Opportunities that walked into the Dealership and their level of success in managing & coaching them? Is Management measuring whether the realization of those Opportunities is getting better, getting worse or remaining stagnant?

Is anyone measuring the success of the effort to maximize those opportunities?

Understand that I am not talking about Hours or Dollars Per RO, anyone who knows me, has heard me speak, read various articles, knows that I feel that measurement to be virtually useless.

[\[Read ATi Article: “This Has to Stop”\]](#)

Opportunity Management is the future. It is where Service Management needs to focus their energy, skills, talents and efforts to be successful in the coming months and years. Opportunity Management, as defined by me, is simply measuring the true opportunities that come into your operation versus the actual realization of those opportunities in order to better Manage & Coach for Growth.





Let's look at just a few points in an actual dealership case study:

Opportunity Description	Total Number of Opportunities	Total Number "Closed" Traditional Measurement	Maintenance Penetration Traditional Measurement	Amount of each Opportunity	Total Opportunity	Actual Sales	Missed Opportunity Left-On-The-Table
10K Service	202	155	76%	\$69	\$13,938	\$8,841	\$5,097
15K Service	127	101	79%	\$139	\$17,653	\$9,555	\$8,098
30K Service	84	38	45%	\$399	\$33,516	\$9,548	\$23,968
60K Service	68	31	46%	\$599	\$40,732	\$4,166	\$36,566
Grid Labor	312	312	N/A	Individual per grid	\$36,205	\$26,318	\$9,887
TOTALS	481 does not include Grid Ops	325 does not include Grid Ops	68% does not include Grid Ops	N/A	\$142,044	\$58,428	\$83,616

Note: Mileage Opportunities are vehicles within +/- 1500 miles of the identified Service interval. Grid Opportunities are the number of "Repair" work lines on RO's whereby the "Grid" should apply. They are not included in total closes because all lines were charged some amount of labor.

What are **YOUR** first thoughts?

- These guys are terrible?
- They didn't even realize half of their opportunity?
- What is the total left on the table amount when you look at the entire maintenance schedule?
- How much does an entire year of missed opportunities add up to?

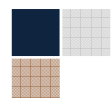
Traditional "Maintenance Penetration" measurements would imply that this dealership is doing a GREAT job!!

Do you think this dealership is doing a GREAT JOB????

Go back and look at the numbers again, the Total "realized" is not simply the number of closed opportunities multiplied by the amount of the opportunity. These are actual numbers and not every "closed" opportunity was sold the entire service in full, and not every repair line charged was charged using the appropriate grid amount!

This Opportunity Total is not some "Consultant-Inflated what-if", this is not a pie-in-the-sky valuation of how much potential is in your database.....

THIS IS OPPORTUNITY in your STORE ALREADY!





Of the less than half of the customers who were due for the 60K that were actually sold something, the sold those customers less than a third of what the dealers menu recommended!!! It's their OWN menu and they still aren't realizing it. Even if the 60K was half as much money, there would still be over \$16,000 left on the table!!!

You don't need to spend any marketing money! You don't need to put on some great promotion! These opportunities are in your shop right now and the "results" you achieve are a direct result of your Performance, your Management and your Coaching for Growth!

Are you going to Manage & Coach or simply keep score?

Traditionally, we look at RESULTS only (closing ratios, Hours or Dollars Per RO, Effective Rates, etc) and using industry benchmarks, statistics, 20 Group left page status, industry guides, etc, we determine whether or not an operation is performing well. That's keeping Score, not Managing & Coaching!

The reality is, when ONLY the RESULTS are measured, management can only "Keep Score" and hope for a "win"!!

In order to survive & grow your Service Business, Management must transition to more proactive "Opportunity Management" so that you can truly "Manage and Coach for Growth".

Start your Transition now and ATi can help!

<p style="text-align: center;"><i>Tyler Robbins</i> AUTOMOTIVE TRAINING INTERNATIONAL <i>North America's Fixed Operations Solutions Company</i></p> <p style="text-align: center;">www.ATi360.com www.ATiROAMS.com www.ATiServiceMenus.com Tyler@ATi360.com Mobile: 902.880.3360</p>	
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ATi recognizes that manual opportunity measurement is an incredibly time consuming function. Our ATiROAMS Product Solutions performs all of the above measurements and so much more. Call ATi right now and schedule your no-charge demonstration of ATiROAMS – The Tool for the True Service Manager! www.ATiROAMS.com

