

# Technicians Are Gold: Are You Mining for Yours?



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# Results of Insufficient Technical Staff?

## Fixed Operations:

- ✓ Parts and Labor Sales suffer
- ✓ More rental car and loaner expense
- ✓ Customer defections
- ✓ CSI suffers



# Results of Insufficient Technical Staff?

## New Vehicle Sales Department:

- ✓ PDI affected
- ✓ Accessories and upsells affected
- ✓ Sales needs compete with CP and Warranty for limited throughput



# Results of Insufficient Technical Staff?

## Used Vehicle Sales Department:

- ✓ Reconditioning slows
  - Turnaround time is critical
- ✓ Pre-owned business competes with CP and Warranty sales for limited throughput



# How Much is a Good Tech Worth?

- ✓ A good tech is worth his/her weight in gold, or about **\$276,000** in gross profit per year
- ✓ How did we determine that number?

?

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\$

# Where Are All the Technicians?

- ✓ National **shortage** of qualified techs
  - Estimated between 25,000-100,000
  - Only going to get worse
- ✓ No vocational technical classes in high schools
- ✓ Negative industry perceptions



# Where Are All the Technicians?

- ✓ Big demand in RV and marine
  - Only going to increase
- ✓ Job market is strengthening overall

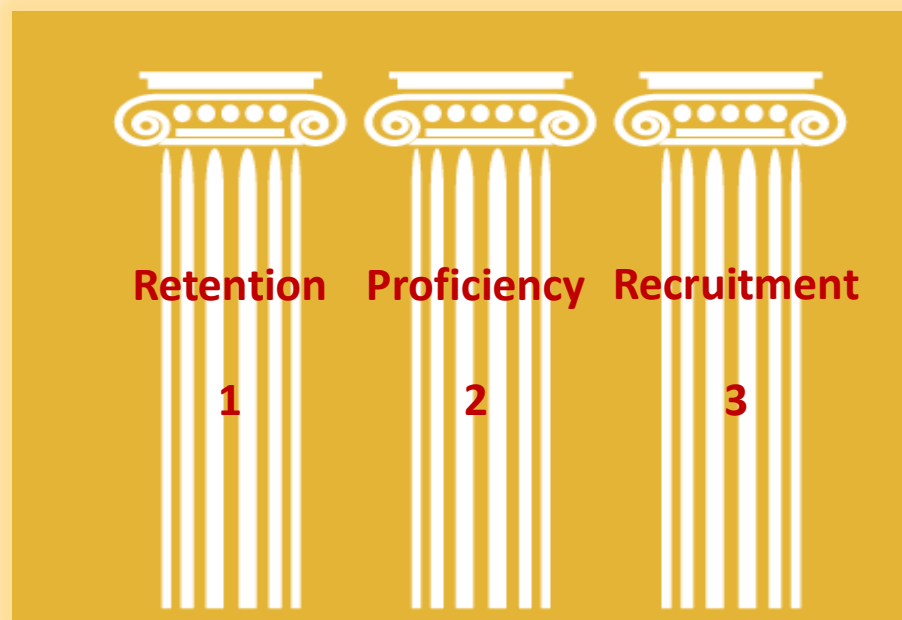




# So What Do We Do Now?

We must attack this problem on **three levels**:

- ✓ Retention
- ✓ Proficiency
- ✓ Recruitment



# Retention

## Management techniques:

- ✓ Respect
- ✓ Appreciation
- ✓ Communication
- ✓ Recognition



# Retention

## Flexible Work Schedules:

- ✓ 4-day work weeks
- ✓ Part-time techs
- ✓ Customized schedules



# Retention

## Compensation Plans:

### ✓ Average pay

- All shops: \$39,000
- Franchise: \$59,000
- Supply & demand



# Retention

## Benefits:

- ✓ Health insurance
- ✓ Life insurance
- ✓ Tools
- ✓ PTO, Vacation
- ✓ Creative solutions



# Proficiency

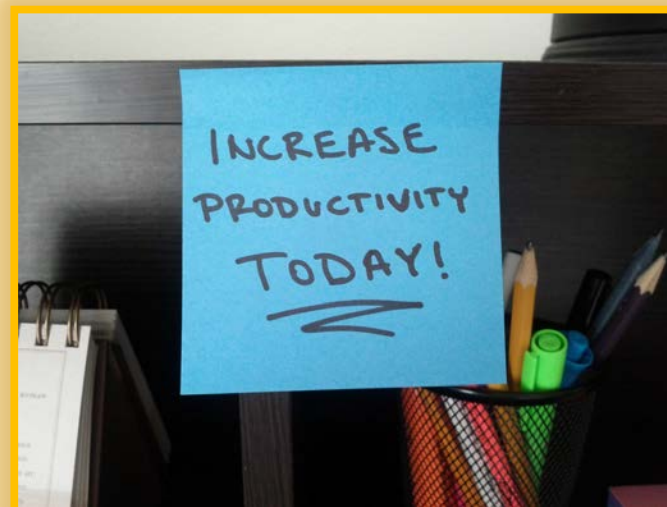
- ✓ Definitions
  - Productivity
  - Efficiency
- ✓ New standards
- ✓ What will be the impact?



# Proficiency

## Increase Productivity:

- ✓ Parts delivery
- ✓ Shop assistant
- ✓ Technology
- ✓ Logistics
  - Special tools, computer access
- ✓ Communications



# Proficiency

## Increase Efficiency:

- ✓ Training
- ✓ Pay plans
- ✓ Teams





# Recruitment

## Competitors, Pros and Cons:

- ✓ Franchise
- ✓ Independents
- ✓ Mass Merchandisers



COMPETITION

# Recruitment

## Advertising, Pros and Cons:

### ✓ Websites

- Monster: [www.Monster.com](http://www.Monster.com)
- Craig's List: [www.Craigslist.org](http://www.Craigslist.org)
- Auto Care Career: [www.AutoCareCareer.com](http://www.AutoCareCareer.com)
- Career Builder: [www.CareerBuilder.com](http://www.CareerBuilder.com)
- Need Techs.Com: [www.NeedTechs.com](http://www.NeedTechs.com)
- In Deed.Com: [www.InDeed.com](http://www.InDeed.com)
- Autojobs.Com: [www.AutoJobs.com](http://www.AutoJobs.com)
- ACT Auto Staffing: [www.ACTAutoStaffing.com](http://www.ACTAutoStaffing.com)

# Recruitment

## Advertising, Pros and Cons:

- ✓ Newspaper
- ✓ Radio / TV
- ✓ Billboard
- ✓ Sandwich board
- ✓ Customer email blast
- ✓ Creative ideas



**APPLY NOW**

# Recruitment

## Word of Mouth, Pros and Cons:

- ✓ Tool vendors
- ✓ Technical staff
- ✓ Employees



# Recruitment

## Grow Your Own:

- ✓ Teams
- ✓ Apprentice career path
  - Express oil change entry level
- ✓ Mentoring
- ✓ High school vocational tech
- ✓ Manufacturer programs



# Last Thoughts

- ✓ Supply and demand requires changes in our business model
- ✓ Future technical needs are changing rapidly
- ✓ Creativity and focus are going to be critical



# Questions?

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