

# **IDLER'S APPLIANCES**

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## **SERVICE DEPARTMENT PROFITABILITY: THE EFFORTS OF AN EFFICIENT DEPARTMENT**

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### **SERVICING DEALERS**

Separate the Service Department from Sales, Delivery and Installation. Create a Service Department Team that works well together, including call takers, accounting, shipping, receiving, technician support staff, and management. Cross train as many team members as possible. Let all team members know your goals, i.e., show them income statements. Encourage all team members to be a part of the solution to create profitability of the department and the company overall. Take advantage of all training available for all team members, and coach them daily. Policies and procedures that are not in the best interest of the customer must be changed. Team members that will not follow these policies and procedures must be changed.

### **CALL TAKERS**

Call takers, as well as all team members, must be highly trained and self-motivated to cope with the negativity of customer service. More importantly, to have the satisfaction of knowing they have done everything possible to take care of and satisfy the customer. They must understand service verbiage, know where to direct the customer on all issues, understand all manufacturers' warranties, extended warranties, warranty summaries, what will and will not be covered, obtain pre-authorizations and post authorizations on all calls as needed. The call taker must obtain all information on all invoices before scheduling calls. Management must pre-screen all calls to insure all information is correct and pre-order parts when possible. Pre-screening also minimizes installation and customer instruction issues that most manufacturers' will not pay for. They must fully understand areas and days to schedule calls, i.e., local areas, days, zip codes, north, south, east, and west, etc. Each technician has a specific area, some of which can overlap.

### **ACCOUNTING**

Management must post-screen all invoices before turning over to the accounting department. All invoices must have all information correct. Warranty calls and extended warranty calls must be edited for correct mark-up on parts, shipping costs, mileage costs, correct verbiage, etc. Accounting must know all that call takers know, and, also establish very close relationships with call takers, shipping, receiving, technicians, support staff, vendors, service representatives, sales representatives, extended warranty, warranty, and, most importantly, customers, to insure each and every invoice is paid.

## **SHIPPING AND RECEIVING**

Order all parts needed the same day. Return all truck stock parts used the same day and stock only fast moving parts. Maintain locations for all parts. Maintain high and low point for all locations, and, charge for all shipping costs. Mark up parts to maintain profitability. Receive all parts daily. Schedule all parts daily. Contact the customer with ETAS and back ordered parts, and continue to update until all parts are received and the call is scheduled. Ship all return parts back to vendors weekly.

## **TECHNICIANS**

Take advantage of all training available. Have weekly meetings with all technicians. Each technician has their strong points and their not so strong points. Team them up on all 2-man calls. Have them call manufacturers for 2-man call rate or charge customers accordingly. Working together will create camaraderie, more highly trained technicians, and a service team that will keep all team members motivated. Constantly coach and train with paperwork, policies and procedures. This will allow Accounting to more effectively process all invoices. Technicians must monitor, maintain, and, be accountable for truck stock.

## **SUPPORT STAFF**

Create a home dispatch program. Allow the technicians to take company vehicles home for company use only. Have a backup plan that will still allow routes, parts, truck stock parts, correspondence, and all other information to be delivered on a daily basis. Pick up the days routes, warranty parts, return parts, and all other correspondence from the technicians. We affectionately call our home dispatch driver the "pony express". He starts work at noon and aids with parts, shipping, receiving, marking and tagging parts, and anything else that needs to be done. He arrives at all technicians' homes after hours. This program allows 1 to 2 additional calls per day per technician. The calls are scheduled from closest to farthest from home. Home dispatch also allows processing of paperwork, including deposits, claims, billing, and post-screening the following morning.

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