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WHITE PAPER

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SERVICE EFFICIENCY GUIDE

*Improve service
department efficiency
through better hiring,
mentoring, design
and more.*

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SERVICE ESSENTIALS



By Jonathan Sweet
Editor-in-Chief

ONE OF THE LESSONS of the last few years is that boat sales alone aren't enough for a dealership to be successful.

The service department has taken on increasing importance as a way to hedge against the volatility of new boat sales. After all, while boat owners might choose not to buy a new vessel, they're going to take care of the one they have.

Tom Mackie, the owner of South Harbor Marine in Waretown, N.J., put it best when I interviewed him:

"It's too risky to base my whole business on selling something that's boom or bust," he says. "We don't care where you bought it. If we can help you out, we'll help you out, in the hopes that you'll be our loyal customer after that."

(You can read more from Tom in our article on making the most of warranty work starting on page 12.)

Good service leads to more service work, which leads to boat sales down the road. Customers want to buy and work with someone they know and trust and building a strong service department is essential to creating that customer for life.

This white paper is chock full of ideas to help you build the best service department or improve the one you already have, with advice from the best consultants and your fellow successful dealers:

- ▶ *How you can improve your hiring process* to make sure you end up with the right technician for your company
- ▶ *How mentorship programs* can help you make sure those technicians are successful
- ▶ *Designing the layout* of your service department for maximum efficiency
- ▶ *Making the most of warranty work* and ensuring its profitability
- ▶ *Ways to take your service department to the next level*
- ▶ Plus, a variety of tips for *improving efficiency* in your service department

These articles can help you improve your business today, and are brought to you thanks to our white paper sponsor, the Marine Mechanics Institute.



FROM THE SPONSOR

FINDING THE **RIGHT** FIT

THE MARINE MECHANICS INSTITUTE

(MMI) proudly sponsors this *Service Efficiency Guide*. MMI has partnered with *Boating Industry* to craft this white paper to help you address the challenges you face when recruiting technicians, mentoring them and ultimately getting the most out of your service department.

Few business activities are as time-consuming and resource-intensive as recruiting and retention. You deserve to get the most out of the valuable resources you spend. Retention is optimized when you get the right fit in hiring from the start.

To ensure alignment of employer needs and employee skill sets, collaboration between dealerships and training programs is vital. Toward that end, MMI works closely with industry. The MMI Program Advisory Committee, composed of OEM, dealer and independent repair shop partners, helps to make certain that curriculum, tools, equipment, technology and boats are state-of-the-industry.

Your hiring qualifications are unique to your dealership. It's important to define them so that your recruiting efforts are targeted. MMI training program's employment specialist can help you delineate those criteria, including experience with customer service training, specific motors and rigging, and the latest technology and tools.

You will find useful information and best practices in this white paper to fine-tune or overhaul your recruiting practices – a significant step in maximizing your recruiting resources.

When you are ready to find just the right technicians for your dealership and service department, consider working with MMI's dedicated Employment Services team. We work closely with employers and MMI graduates to make matches based upon geographic preferences to ensure longer-term working partnerships. As part of Universal Technical Institute (UTI), MMI shares in a rich 46-year history as a nationwide provider of technical education for students seeking careers as professional marine, motorcycle, automotive, diesel, and collision repair technicians.

We take very seriously the importance of "find the right fit" between employers and technicians. Continuing joint efforts between industry and training programs are critical, and help to bring you resources such as this white paper. We are confident that you will find it to be a valuable tool for your recruiting, hiring, mentoring and retention needs.



CHOOSING THE RIGHT TECHNICIAN

By Brent Renneke

SERVICE DEPARTMENTS ARE vital revenue centers for today's marine dealers, and they are using previously untapped resources and interviewing techniques to assemble their technician dream teams.

A popular source of applicants for dealer principals has been marine trade schools, like the Marine Mechanics Institute, and various technical colleges.

At Russell Marine in Alexander City, Ala., its last six technician hires have come through schools. Dave Commander, general manager of the dealership, says the schools play a vital role today, when experienced technicians are more difficult to find.

The programs provide a good baseline of knowledge, according to Tom Mack, owner of South Shore Marine in Huron, Ohio. But having a solid mentoring program in place is vital to turn a green technician into a valuable team member.

"We see the classroom as a real good base, but the classroom is the classroom. You cannot use a customer's boat as practice," Mack says.

The ideal applicant at South Shore Marine comes through a reference by a current employee, but another alternative is through soliciting referrals on the company's Facebook page.

Mack says he posts any job openings on



his Facebook page, broadcasting the position to nearly 700 people.

"Some of our best hires have come from more nontraditional methods, and Facebook is the main one," he says. "We have a lot of friends, about 40 employees, and most of them play around on it."

Mike Hoffman, owner of Marine Center of Indiana, says he has kept in touch with technicians who formerly worked at his dealership through Facebook.

"You can look around and find people

that used to work in the industry or even worked with us at one time," Hoffman says.

Hoffman says he is always looking to improve his service department by upgrading his personnel. By offering a superior work environment through amenities like air conditioning in the shop, for example, he creates an attractive option for other technicians.

"Technicians come and work here and find out we are pretty good guys to work with," he says. "Then they go out with their buddies and say, 'I am working at this place, and it is pretty interesting.'"

Hoffman also stresses the importance of having top talent at positions outside his technicians, including parts employees or a service writer, for example.

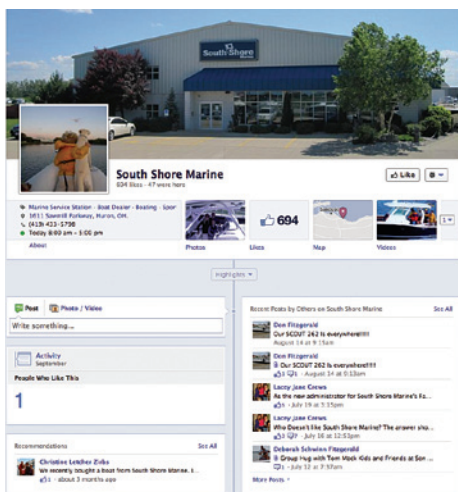
"You cannot spend money on techs if you are not spending money on the whole system," Hoffman says.

Interviewing technicians

Regardless of technicians' experience, the interview process is crucial in determining both their technical and social skills.

Technicians directly out of school complete a mechanic competency exam to ensure their skills translate from the book to the shop at Shipyard Marine, says Andy Howitt, owner of the Green Bay, Wis.-based dealership. If they fail the test, the applicant is





Job postings rarely go unnoticed on South Shore Marine's Facebook page.



Applicants are asked to review South Shore's company-wide values before interviewing.

no longer considered.

Beyond school training, Howitt says one positive indicator is a past inclination to fix or restore possessions.

"We want to find out if they have a natural desire to tinker with stuff, or if they just thought the job sounded cool," Howitt says.

On South Shore Marine's website, company values are posted, and they are taken very seriously by all employees, Mack says. Therefore, before the interview, all applicants are mandated to visit the website and determine if they are willing to abide.

"They will quickly realize we do not goof around here," Mack says.

Finding out if an applicant is a cultural match is crucial, and Hoffman says at his dealership it involves examining the person's out-of-work life. Hoffman says he often does not receive valuable feedback from references, so he instead examines the applicant's financial and family situations.

"I do not want guys with situations that take away from them having a good attitude here," he says.

At Russell Marine, interviewing ap-

plicants will speak with multiple people, most of whom they will be working with on an everyday basis. The purpose is to determine if they are outgoing enough to not only have good communication skills within their department, but also with customers, says Jeff Ellis, manager of Russell's Ridge marina.

"I have found that the ones who are a little more outgoing are more successful," Ellis says. "They have to have the communication skills to fit in with the techs; they have to have those skills to be confident." ●

MARINEMAX'S DECADE-LONG MMI PARTNERSHIP

For more than a decade, MarineMax has depended on the Marine Mechanics Institute to inject young, talented technicians into its network of dealerships.

Today, that relationship is stronger than ever with more resumes from qualified applicants ready to take the next step and contribute to a dealer's service department, says Cricket Holt, south region parts and service manager for MarineMax.

Holt says graduates of MMI arrive with a base knowledge that service managers are able to work with and evolve into an important contributor within their departments.

"There is advanced training and years of knowledge that need to come together, but the sooner you start at the beginning level, working with a tenured vet, they are going to pick up a lot of knowledge," Holt says.

Holt says MarineMax has become even more dependent on trades schools like MMI as the pool of available, experienced technicians continues to shrink, part of which is attributable to

a lack of institutions like MMI.

"Some schools are starting to offer marine courses, but it is not as well known and it is not like working with a car, where everything is pretty easy to get to," Holt says. "Almost all boats are hand built."

With each application from MMI, Holt says she inspects the applicant's attendance, overall transcript, neatness, professional experience and their willingness to relocate – most of whom are, according to Holt.

Holt recognizes that no student is a master technician immediately following graduation, but having a trade school background makes the transition to a dealership quicker and more effective.

"For the future of MarineMax, these trade schools are very important, and for the future of the marine industry, they are crucial," Holt says.

—Brent Renneke

TEACHING TECHNICIANS TO SUCCEED

By Brent Renneke

BOTH EXPERIENCED technicians and those fresh out of school need an acclimation period, whether it is to learn new habits or simply how to do their jobs.

Therefore, the most successful dealers typically have a mentoring program where a new technician can learn the lay of the land without hurting the bottom line.

Dave Commander, general manager of Russell Marine, says his dealership sends every new technician to the rigging department, where he or she becomes familiar with a variety of boat and engine brands.

The rigging department is an ideal starting location because the new boats being serviced typically have fewer issues. Rigging also tests technicians to see if their efficiency improves as tasks become repetitive, says Jeff Ellis, manager of the Ridge Marina at Russell.

Technicians at Shipyard Marine spend time at the dealership's marina, says company owner Andy Howitt. The marina experience helps technicians become familiar with docking skills as well as proper nomenclature if they are new to boating.

"If boating has not been a way of life for them, we want to groove them into how boats operate, being able to dock, etc.," Howitt says.

Vital to a successful mentoring program is a quality mentor, who is often one of the most-tenured employees in the service department. At Russell Marine, Ellis says new technicians start with knowledgeable rigging



Technicians at Marine Center of Indiana are expected to keep a clean service bay.

employees and are assigned a lead technician mentor once they are moved to the shop.

Before transferring to the shop, Ellis says the service manager will interview the technician to determine where and who would be the best fit.

"He is looking to find out any skills or quirks about the guy, also what areas outside of the box would he be really good at," Ellis says.

Howitt says the mentoring process also establishes a relationship between the mentor and mentee that allows the new technician to feel comfortable when asking questions in the future.

At South Shore Marine, veteran technicians are expected to take the mentor role, owner Tom Mack says. In fact, the ability to be a good mentor is figured into a technician's evaluations and pay raises.

Dealers typically put a new technician on a trial or probationary period that ranges from 30 to 90 days. Throughout the process, the technician is reviewed to ensure he or she is on the right track.

Shipyard Marine in Green Bay, Wis.

Mack says new technicians are reviewed at 30-, 60- and 90-day intervals to prevent wasting resources on technicians who are not progressing.

"The last thing you want is someone to be with your company 90 days and you are still not impressed," Mack says.

At Marine Center of Indiana, owner Mike Hoffman is not impressed until the technician has not only efficiently completed jobs but also conformed to his shop's habits – like keeping both the service bay and a customer's boat clean, for example.

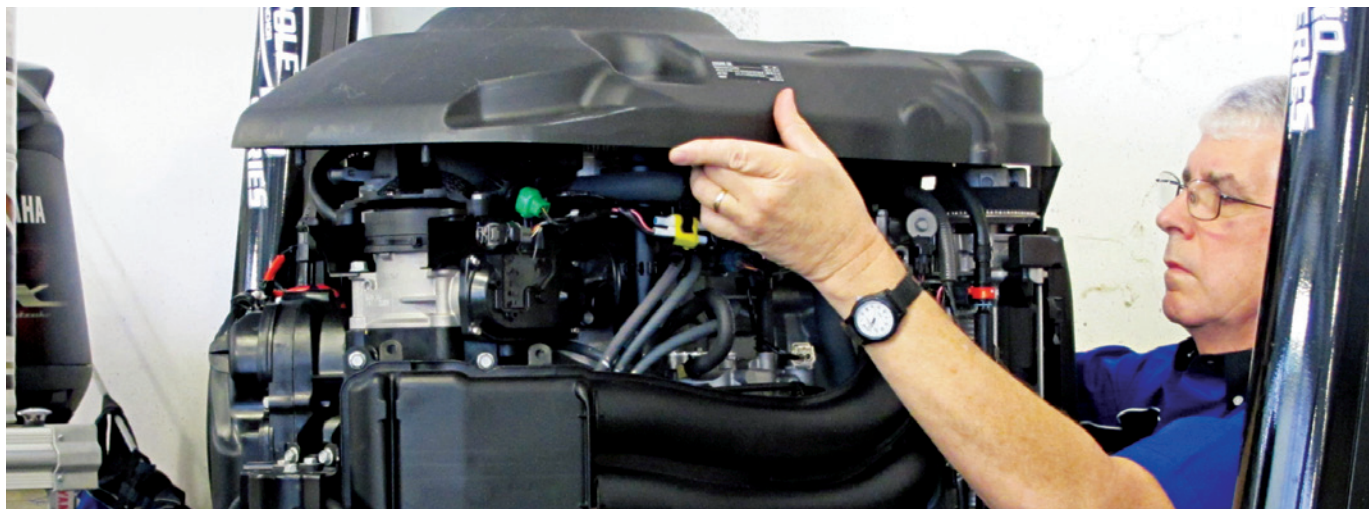
As their skills increase, Howitt says technicians will start on jobs they're confident in, like oil changes for example, with a mentor continuing to look over their work.

Efficiency – a key technician statistic – begins to be evaluated at Russell Marine after the 90-day period, although it is measured throughout the mentoring process, Commander says.

Mack says at South Shore Marine a key evaluator to determine if a technician is ready for responsibility is comebacks. If a technician's name comes up twice in one week, it is a sign the technician may not be ready, according to Mack.

"Dealers who are just throwing technicians out there are setting them up to fail," Mack says. "The main thing is to not practice on the customers." ●





DESIGNING YOUR SERVICE DEPARTMENT FOR MAXIMUM EFFICIENCY

By Mike Davin

HIRING THE RIGHT PEOPLE IS

essential to any company's future, but once you get the best possible team in place, you have to provide the right environment for them to be successful. A lot of that has to do with implementing the right processes, like a mentorship program, but sometimes dealers don't realize how much their actual physical layout is hindering the flow of work and communication in their service and parts departments.

Dealers may feel stuck with the facility they have, especially if they aren't able to start fresh with a new build. Although starting from the ground up is great, it's not always necessary. Even small tweaks or re-models can make a huge difference.

Direct the flow of your boats

The design of your service department begins before you even enter the building. The flow of boats into your business and the organization of your lot have a large and lasting impact on efficiency, according to Valerie Ziebron of Yamaha Marine University.

An important question to ask is how customers will approach from the street. Will

they need to make a U-turn? If they're trailering a big boat, what exactly do you want them to do?

"If we don't direct them in what we want them to do, they're going to do whatever, and that's definitely not going to be convenient for them or us," says Ziebron.

One simple solution is to paint lines guiding customers along a predetermined path. And once they exit their vehicles, signage should be prominent enough that they don't waste any time hunting for where to go.

The lot itself also needs to be organized, but a disorganized lot doesn't always require a complete redesign. Ziebron recalls working with a good-sized shop



Helping direct customers through your lot can be as simple as adding arrows and lane lines.

EFFICIENCY TIP

1 Scheduling

Woodard Marine in Hydeville, Vt., uses technology to help it reach higher levels of efficiency by utilizing the service scheduler built into its dealer management software.

Prior to implementing the technology, Woodard kept a service schedule on an Excel spreadsheet, but general manager Lauren Woodard-Splatt says it was cumbersome and difficult to change around.

Now that the schedule is built into the computer system, each employee has his or her own laptop with the schedule on it. The job also shows up on a large flat-screen TV in the service department.

"If I change something, or the customer didn't show up for their appointment, I can move it within two seconds and it updates everybody's schedule," Woodard-Splatt says. "So that technician sees, 'OK, the boat's not here' and moves onto the next one. That improved our efficiency by about 15 percent."

during high season that was wasting huge amounts of time finding boats on the lot. Space was at a premium and the techs were flat rate, so they were putting boats anywhere that was convenient.

"The lot crew had to spend countless hours moving boats, and the poor guys were utilizing strategies that would make world champion chess players proud," Ziebron says.

Finally, they broke the lot into four quadrants. They came in for a few hours one weekend to move each boat to its appropriate quadrant, and it made finding and moving boats much easier. It also had an instant impact on CSI and profitability. While they had to commit to maintaining the system going forward, Ziebron notes that at least they now had a system.

If you do have an opportunity to make physical tweaks, some extras Ziebron suggests factoring in when possible include a staging area for service jobs to be pre-pulled and a finish line area (preferably covered) for completed service boats and new boats awaiting delivery.

Direct the flow of your customer

Grocery stores put milk in the back to direct traffic flow and increase the chances of impulse buys, and the same can be done for your service department and parts and accessories.

According to Ziebron, an ideal flow be-

DEALER SPOTLIGHT

Russell Marine

Location: Alexander City, Ala.

Full-time Service Employees: 12

Average Technician Efficiency: 71 percent

Russell Marine has a fast-growing service department with revenue growth of 60 percent in the last five years. The dealership assigns one of four pay ranges to its staff based on skill level, training and tenure. Bonuses are issued starting at 75-percent billable efficiency; other team-incentive bonuses are also handed out at the end of the year.



gins with convenient, well-labeled parking, moves the customer past some beautiful new boat inventory and strong visual marketing for seasonal specials, and finally navigates them through "must-have" and "frequently used" accessories before they finish at a clean, uncluttered counter with plenty of

space for paperwork and parts to be passed back and forth.

"I like it when customers can pass some inventory on their way in, just to plant that seed," Ziebron says. "You just never know how many impulse purchases actually pan out."

To illustrate her point, Ziebron recalls a story she heard from a dealer who was displaying boats in front of Costco.

"A woman went in to buy a block of cheese, and she wound up buying a boat," she says. "So you never know."

As customers make their way through the dealership, put some suggestive selling in their line of vision along the way. When they're at the counter, they should be able to see boat cleaning products, fun accessories or other branded content right there. Similar to the gum, candy, magazines and sundries at the grocery store cash register, some well-placed impulse buys at the service counter can look nice and increase your per ticket average.

Finally, Ziebron says don't make people go look for something unless it's something they're definitely going to need, as in the milk analogy. People will take the time to

EFFICIENCY TIP

2 Tracking

Prince William Marine in Woodbridge, Va., consistently records some of the highest technician efficiencies in the industry — generally well over 100 percent. Part of the reason they are able to maintain such impressive numbers is the emphasis they place on tracking efficiency.

Individual technician's hours are compiled on efficiency spreadsheets each month, which allows owner Carlton Phillips and his service manager to review efficiency data with each technician every 30 days. When efficiencies are lower than expected, an analysis and consultation is done with the technician to determine what caused the problem. Equipment issues and the types of work orders assigned are considered, and an improvement plan is put in place when necessary.

Phillips says efficiency reports help with future scheduling when a technician is having difficulty with certain types of work. The efficiency spreadsheet also helps management track and follow a technician's efficiency through the years.

As a result of the tracking and reviews, technicians are motivated to improve their performance and efficiency, and the service department is able to improve its scheduling of work orders.



search out necessities. On the way, they'll go past some other things that they don't need but might want.

Less is more

In order to catch the customer's eye with the products and promotions you display, it's important to remember that less is more. Good design typically looks simple and clean, whereas a common mistake is throwing so much information at customers that your showroom appears cluttered and disorganized.

"The less space you have the more organized you have to be," Ziebron notes. "It always seems like you're going to have plenty of room when you are looking at it on a sheet of paper."

For example, certificates of training for technicians and salespeople give your business a professional feel, but if they're lost in a sea of clutter, they lose their impact.

To achieve the proper balance, any retail environment can serve as inspiration. However, high-end shops can act as a particularly good example of how to merchandise things

so that they look attractive. When one of these retailers wants to set an item apart, they intentionally use white space or blank space around it.

"Yes it's nice that you have a huge inventory and offer a lot of things, but you don't have to put every single one of what you offer out on the shelf," Ziebron says. "Utilizing your back room storage space is not only a good idea for inventory control, but it also allows you to much more smartly market and showcase your product in a way that is much more pleasing to the eye."

Ziebron admits this might take a little more effort on behalf of your staff, who have to make sure you're keeping things stocked, but all in all it offers a better presentation.

"I don't necessarily see a lot of marine dealers doing a great job of that," Ziebron says. "One product on the table with an explanation of why it's fabulous."

Consider job descriptions

When designing a space, it's extremely important to consider the job descriptions and duties of the people who will be working there. For example, if you expect your service staff to occasionally pull parts, they should probably be relatively close to each other. If you have more than one person writing up tickets, you need to allow enough space for both to work.

A failure to consider the reality of people's jobs often leads to problems down the line.

EFFICIENCY TIP

3 Color-coding

A disorganized lot can have a huge impact on efficiency, which is why Woodard Marine implemented a simple color-coding system that helps techs know what parking lot a boat will be in and what step of the process it's in.

Here's how it works: When a boat is dropped off, after the repair order is made, a green ribbon is placed on the trailer. This indicates that the boat has been checked in and assigned to the schedule.

A yellow ribbon is used to show that the boat has more than just service work to be completed on it (for example, cleaning, shrink wrapping, etc.).

During the colder months, Woodard utilizes a pink ribbon. This indicates that the engine is winterized but still needs more work before it is ready for the customer.

Lastly, an orange tag with the boat's bilge plug is hung on the trailer of the boat when the boat is complete and ready for the customer to pick up.

"This coloring process allows our yard tech to quickly do a physical walk around the yard and let the service writer know what boats have not been picked up, what boats have not been touched yet," says general manager Lauren Woodard-Splatt.

One of the most frustrating experiences a dealer can have is building an entirely new space, only to have to remodel a year later when the design that looked great on paper doesn't measure up in reality.

The biggest remodel Ziebron sees following a new dealership build involves service/parts counter workspaces. Often, designers don't provide enough personal workspace and employees can't hear themselves think, let alone listen to a customer with all the noise around them and the other guy's paperwork flowing onto their desk.

"I have literally seen tape lines drawn on counter space – that's his, this is mine," Ziebron says. "The other extreme can also happen. While we don't want to be on top of each other, please don't put service and parts in different buildings or super far away from each other, especially if you expect them to cover for each other."

A simple design tip Ziebron recommends is making sure not everyone is on the same horizontal space. By placing em-

ployees slightly back or slightly forward of the next person, they're not in each other's periphery constantly.

A final thing to consider is whether you foresee staying at the same size or hiring people down the line. Ask yourself, "Are we

planning to build this as something we can grow into or are we pretty much at the size we're going to be?"

EFFICIENCY TIP

4 Incentives

Incentivizing efficient work is a must in today's service department. However, Seattle Boat Company's compensation package is unique in that it rewards technicians by giving them the tools to reach even higher levels of efficiency.

Besides cash bonuses that increase with higher levels of efficiency, the Seattle-based dealership also gives tool bonuses to technicians who record an efficiency rate of more than 80 percent. Technicians who post an efficiency of 120 percent or more for three consecutive months are supplied with an assistant technician.

The goal with both rewards is to enable the technician to reach even higher levels of efficiency. Therefore, "super technicians" lose their assistant if they drop below 150-percent efficiency for two consecutive months or if two comebacks are received within a 30-day period.

Seattle Boat Company still uses a more traditional incentive program with additional flat rate pay and cash bonuses, but the unique perks have been a key contributor to the dealership's high efficiency year in, year out.

DEALER SPOTLIGHT

Prince William Marine

Location: Woodbridge, Va.

Full-time Service Employees: 24

Average Technician Efficiency: 114.51 percent

Prince William Marine only services and rents slips to customers who purchased their boat from the dealership – a practice used for customer retention. The owner also sits down with each technician to review his or her efficiency numbers monthly. When efficiencies are lower than expected, an analysis and consultation is done to determine the cause, as well as identify certain jobs a technician may have difficulty with.



Utilize your team

When planning any kind of redesign, it's best to work with your entire team. In the initial planning phase, it's helpful to have a group meeting with everyone who will be involved – the parts department, the service department, dispatch, detail, the lot crew, etc.

Tell them that you'd like to incorporate as many of their ideas as possible, but be honest that not every idea will be feasible. Try to design it together, and once you do, give yourself and your team a little time to think about it to make sure you didn't forget anything.

Involving your team helps build excitement and get their buy-in, and it will make them more invested in making the new design a success when it is finished. Not only that, they know their needs better than anyone.

"The people working the space will be far more valuable than an architect or designer," Ziebron says. "I know of a dealer who built his whole place only to realize after the build that he had forgotten to include any space for parts inventory. Oops!"

After that, it's not a bad idea to take it to someone outside the industry and ask them to play devil's advocate. Ask if there are any shortcomings that your team might not be comfortable sharing. Work like this prior to a redesign is invaluable later.

Build for Security

A final thing to consider is security.

Include a caged parts inventory and secure space for boxed motors and other expensive inventory, keeping in mind that these areas have to be convenient for delivery. You want a delivery guy to be able to access the space with relative ease, but not a thief. Ziebron says you can have both if you plan properly.

Ziebron also shared some tips from Michael Currey of Yamaha Marine on keeping your dealership secure. He recommends well-lit parking lots and spaces, cement barricades that can be put out every night with fork trucks behind the entrance, cameras (including some fake ones) and a secure place to lock fork trucks and service vehicles so thieves can't use them against you.

Build what's right for you

The most important thing is to build a space that is right for you and your team. Look at the workflow you want and ask how you can set up your design to minimize issues and keep techs turning wrenches.

Ziebron shares the story of one car dealer she knows of who didn't do that. He owned a Dodge dealership and was good friends with the local Volkswagon dealer. The Volkswagon dealer had just built a beautiful new store, and the Dodge dealer decided it was exactly what he needed and asked if he could buy the plans. They agreed, and the Dodge dealer went ahead with construction. One problem – it wasn't big enough to fit a Dodge Ram. He had to set up a tent

“Some dealers really get bit with the building bug. If this recession has taught us anything, it's you don't have to have the Taj Mahal. You need to keep your overhead in line.”

– Valerie Ziebron of
Yamaha Marine University

DEALER SPOTLIGHT

South Shore Marine

Location: Huron, Ohio

Full-time Service Employees: 20

Average Technician Efficiency: 87.73 percent

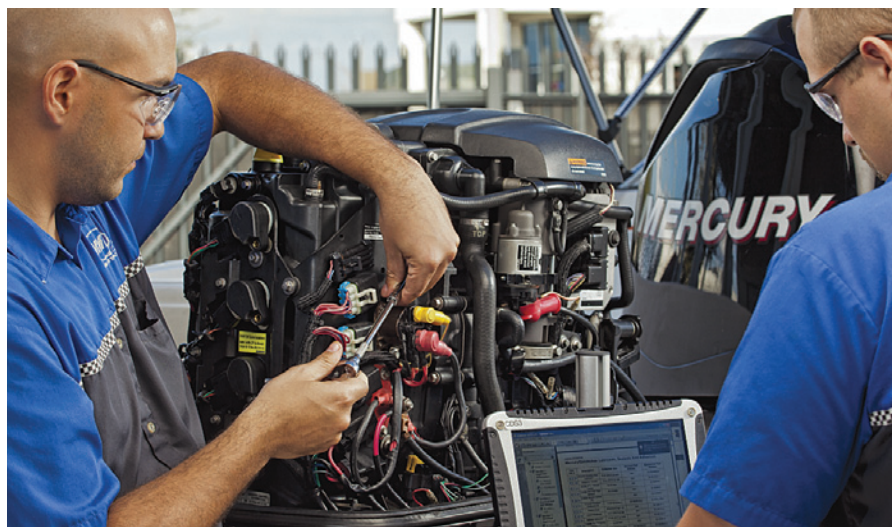
While some marine dealers service only their own customers, South Shore Marine goes to great lengths to attract new customers, even taking the service to them when necessary. The dealership measures its service department in terms of the cost of labor relative to revenue using a color-coded system. Any job where labor cost is more than 50 percent of revenue is marked red and is not acceptable.



next to his brand new dealership.

“Some dealers really get bit with the building bug. If this recession has taught us anything, it's you don't have to have the Taj Mahal. You need to keep your overhead in line,” Ziebron says. “Take a hard look at your ROI. Any new construction plan,

whether it's a completely new build or just a remodel, really sit down and build a business plan around it and question, ‘What is my return on investment?’ ‘How long is it going to take to recoup my investment on this?’ If you see it being more than six years out, I would think twice.” ●



MAKING THE MOST OF WARRANTY WORK

By Jonathan Sweet

FOR MANY DEALERS, warranty work is one of those necessary evils: You need to do it in order to take care of your customers, but it can also be tough to make it a cost-effective proposition.

Those dealers who are managing it successfully say it's a matter of understanding your costs and being proactive in getting reimbursed.

With seven boat brands and four engine brands, monitoring payment is especially important for Woodard Marine in Hydeville, Vt. While some states have laws that require payment of a company's normal labor rate on warranty work, Vermont does not, so Woodard has to work with each manufacturer to try to negotiate that payment.

"Every fall, we review all of our manufacturers ... and make sure that we're still in compliance with that company," says general manager Lauren Woodard-Splatt. "If we're not getting full labor rate, we contact them again and ask what we can do – are there any certifications that we're missing, for example."

Even if a dealership can get its normal labor rate, the time allowed for a job can be out of whack. Developing good, trusting relationships with the people who authorize warranty work at the various manufacturers and tracking everything are important keys to success, says Tom Mackie, owner of South Harbor Marine in Waretown, N.J.

"We follow and track the time for every warranty," he says. "Say they only give you an hour for 'job X,' and now you've done six jobs and the best time anyone can do it is an hour and a half, discuss that with the manufacturer."

With 80 percent of South Harbor's revenue coming from service – and 20 percent from warranty work – it's especially important to know how long every repair will take.

"We pay really close attention to times

before we get things authorized," Mackie says. "We work with the people who authorize the warranty to get extra time if we think it's needed so we know we're going to be profitable or at least close to it."

Managing customer expectations

Woodard Marine has also found that being proactive with boat buyers can result in a big swing in warranty profitability.

Woodard contacts buyers two months ahead of the expiration of their warranty to remind them of the impending deadline and to make sure there aren't any issues that need to be resolved.

"The reasoning behind that is we had a lot of customers that would come to us after three years and say, 'This has been broken since day one,' and I can't do anything at that point," Woodard-Splatt says. "We would spend a lot of our own money, feeling bad that they didn't tell us. We were losing money at that point by giving free warranty work. So we're trying to be a little more proactive by putting a bug in their ear."

A couple of years ago, that meant an \$18,000 loss for Woodard; this year the company is making \$20,000 on warranty work – a \$38,000 swing to the positive.

"Maybe it's not a big number for some dealers, but it is for us," Woodard-Splatt says. "That's another person, or an improvement on the building or just saving money for the next downturn."

Warranty issues also can often fall into what Mackie calls the "gray area." Those are those issues where a client feels something should be covered under a warranty and the manufacturer may not.

"We have to go to bat for him and work at



it, and make sure we're going to get paid for the job," he says. "We try to satisfy the customer and get them the outcome they want."

Warranty benefits

Despite the challenges, performing warranty work has some great benefits for dealers, increasing customer satisfaction and driving more business.

"The customers feel we're willing to work with them, to fix what's broken," Woodard-Splatt says. "It just makes them feel better."

The other benefit for Woodard is on used boat sales. With many of those boats coming in trade-ins from past customers, being proactive on warranty work means many little issues, such as a broken gas cap or gauge, have been addressed.

"When the boat is traded back in it's already been fixed, so we're not spending our money to get it fixed to sell it at the proper price," Woodard-Splatt says. "So we're making more money on our used boats."

The longer warranties many manufacturers are now offering are also helping bring more clients into the dealerships versus other shops for a longer period of time, Mackie says.

"They figure they have one place to go to get it taken care of," he says. "So we end up getting the oil changes, we end up getting the water pump jobs, we end up getting the winter storage and service. We end up getting all that because they're comfortable that we've taken good care of them with the warranty." ●

14 STRATEGIES TO TAKE YOUR SERVICE DEPARTMENT TO THE **NEXT LEVEL**

By Mike Davin

IF YOU'VE SURVIVED this recession, you probably have a decent service department.

You measure technician efficiency. You market your offerings here and there. Maybe you even do some menu selling. You track customers' satisfaction with the service experience. And you probably make a little profit for the dealership in the process.

But chances are you're still leaving money on the table. You see service as a small piece of the bigger picture rather than the high-performance profit machine it can become for your dealership.

Now is the time for that to end. As you ramp up to take on 2013 and beyond, *Boating Industry* has collected 14 strategies you can employ to take your service department to the next level. To do so, we called upon three service department experts: David Parker of Parker Business Planning, a 20-group moderator and consultant with more than 40 years of experience in the marine industry; marine dealer consultant and Yamaha University instructor Valerie Ziebron of Yamaha Marine University; and Sam Dantzler, a powersports industry trainer and consultant who has worked with Harley-Davidson Performance Groups, Spader Business Management and many others in his field.

Implementing a single one of these strategies might not be enough to transform your service department, but taken together, these ideas can make a major contribution to your dealership's overall revenue and, ultimately, its success.

Increase revenue

The ultimate goal behind most new initiatives is to increase revenue, and there are two primary ways to do that in the service department.

The first is something everyone is trying to do — sell more boats, motors and trailers.

At the end of the day, selling more products will always be the No. 1 way to increase revenue throughout a dealership. The more boats you sell, the more service they're going to need.

Unfortunately, that's not always possible, so we turn to the second option: increase revenue per customer.

To do that, Parker says dealerships should ask themselves the question, "Are we a preventive maintenance shop or a break and fix shop?"

A break and fix shop is one that just takes care of whatever the customer asks for, which isn't efficient for the customer or the dealership, according to Parker. In his experience,



those shops are usually two to three weeks behind in season and struggling to keep their heads above water.

"If you're stuck in break and fix mode and can barely keep up with your customers, it's hard to imagine how you can sell additional services," he says. "But if you become a preventive maintenance shop, service is easier to manage; you'll have happier customers and make more money. A win/win for everyone."

Changing that philosophy starts in the

sales department, and it involves teaching customers the benefits of preventive maintenance. Customers must be coached that while preventative maintenance is more expensive in the short run, it is significantly less expensive in the long term, since theoretically the customer is likely to have far fewer and less costly problems with the boat.

"It's easy to point out that you can spend \$5,000 to \$8,000 replacing an engine when you could have just replaced the water impeller instead," he says.

You can also explain to the customer that if you have a problem, it's most likely to happen when you're using the boat. At that point, you've blown one weekend, if not two or three, waiting on the dealer to make the repairs. That's a lot when you only have 13 weekends in a season in an average climate, Parker explains.

"Theoretically, with preventative maintenance, you will never have a problem with your boat, because items are replaced before they break," he adds.

Another reason for customers to agree to a preventative maintenance plan is if dealers offer that when they do have a problem, they go to the top of the service priority list. Some dealers also offer a discount if customers schedule preventive maintenance over the winter months, which can help a service department create a more balanced workflow during this time period.

"When you're a preventative maintenance shop, July is the often the slowest month because few customers are breaking down," Parker says. "The busiest time of the year can be the winter months."

Move to flat rates

The most direct way to increase revenue per customer is to increase your labor rate.

Dealers who haven't recently evaluated their rate should ask themselves if they're charging enough, recommends Parker. About \$99 an hour is average, but more and

more dealers are charging \$110 to \$150 an hour depending on the area of the country.

Another option is moving to flat rates, which Parker believes is the fairest way of charging.

"If a tech comes in with all their tools in a bag or satchel and takes twice as long, are we going to charge the customer twice as much? I hope not!" he says. "Or if a tech has a huge investment in all the latest tools and can do the job in half the time, do we charge half as much? No! Flat rates are based on an average tech taking an average time for each job."

For the system to work properly, Parker says dealers should make sure their times account for bringing the boat in and out of the service department, uncovering and covering the boat, and cleaning up after each job.

Once you've determined the appropriate flat rates, you may want to bundle them together using a menu pricing system.

"That allows you to do the preventive maintenance in a manner that is easy for the customer and staff to understand," Parker says.

Add a service upsell checklist

A powerful strategy to increase sales is the adoption of a service upsell checklist. One dealer last year added more than \$100,000 in service labor by creating and implementing this simple form, according to Parker.

"The customer brings the boat in for whatever reason, and you go in and check everything," Parker says. "You look for things that may need repair down the road – especially safety items. And if they won't repair safety items, tell them you can't work on their boat."

To encourage more sales, techs can be paid an incentive based on the upsell amount – 10 percent of the upsell labor and 5 percent of the parts, for instance.

Those same techs should also be the people calling the customer to discuss the service work. That worries some dealers, but the actual time involved is minimal, says Parker. Some techs are initially hesitant to speak with customers, however, so he suggests holding role-playing sessions to get

STERN DRIVE CHECK LIST		CHECKED OUT GOOD MAY NEED FUTURE ATTENTION REQUIRES IMMEDIATE ATTENTION	
CUSTOMER	DATE	PART NUMBER AND COST	LABOR
SECTION 1			
1. CHECK ALL LIGHTS			
2. CHECK TIEES			
3. CHECK OIL BATH CAPS			
4. CHECK CLASH ON POLES			
5. CHECK WIRE HARNESS			
6. CHECK TRAILER JACK			
7. CHECK TRIP PAD			
SECTION 2			
1. CHECK ENGINE OIL			
2. CHECK TRIM UNIT FLUID			
3. CHECK STEERING			
4. CHECK THROTTLE CONTROL			
5. CHECK FLAME ARRESTOR			
6. CHECK ENGINE BELTS			
SECTION 3			
1. CHECK PROP/PROP NUT			
2. CHECK TRIM LINES			
3. TRANSDUCER CO. DIESEL			
4. OIL LOWER UNIT OIL LEVEL			
5. CHECK SEATED SHOCKS			
SECTION 4			
1. CHECK NAVIGATION LIGHTS			
2. CHECK COUNTRY LIGHTS			
3. CHECK DASH LIGHTS			
4. CHECK HORN			
5. CHECK BLOWER			
6. CHECK BLADE PUMP			
7. CHECK FLUID SWITCH			
8. CHECK BATTERY CABLES			
9. OIL FUEL EXTINGUISHING UNIT			
10. CHECK STEREO EQUIP			
11. CHECK TRIM OPERATOR			
12. OIL FOR RECALL BULLETINS			
SECTION 5			
1. OIL WATER CONSUMPTION			
2. CHECK FOR WATER LEAKS			
3. CHECK FOR FUEL LEAKS			
4. OIL HILL SWITCH OPERATION			
COMMENTS:			
SERVICING TECHNICIAN:			
TOTAL OF PARTS AND LABOR COMPLETED:		PARTS \$	LABOR:

Creating a checklist is not too difficult. The version shown here simply features a green column, a red column and a yellow column next to a description of each item to indicate the urgency level of the repairs.

them more comfortable.

To be successful with preventative maintenance, you have to decide it is the direction you want to go and fully commit.

"If you switch over to a preventive maintenance mindset in your dealership, life in your service department becomes significantly easier, with happier customers and better cash flow," Parker says. "Who would not want that?"

Adopt a scheduling system

Dealers have no trouble understanding that if you have two boats and one part, only one boat is going to get the part. However, when it comes to an hour, Valerie Ziebron of Yamaha Marine University says they frequently want to stretch it.

That's why she tries to help dealers see their time as something concrete. Dealers inventory parts, boats and motors. Similarly, they should inventory their time.

"Unless a dealership makes their time tangible, you'll constantly be having to stretch, and that means corners are going to be cut and customers are going to be unhappy," Ziebron says.

Many stores are working with fewer people today, and that makes scheduling more important than ever. Still, some businesses have no scheduling system at all.

"That's a big problem," Ziebron says. "The biggest resistance that I see to starting a scheduling system is people think you can't

DEALER SPOTLIGHT

Woodard Marine

Location: Hydeville, Vt.

Full-time Service Employees: 5

Average Technician Efficiency: 138 percent

Woodard Marine uses a DMS system that allows each technician to work off a personal laptop. When jobs come in, the service writer assigns the work order to technicians, who receive it directly on their laptops. The technicians can then clock in and out right at their workstation. On top of monthly bonuses, all technicians receive an annual salary; however, each tech must work a minimum number of billable hours to receive it in full.



have a perfect system. You can't write it in ink. And they're right. A scheduling system is fluid – a constantly changing document.”

Depending on the time of year, dealers tend to schedule between 70 and 80 percent of their work, treating the rest as flextime.

One of the benefits of scheduling is it lets dealerships know when things are starting to look a little slow and they need to consider how to generate additional business.

“One of the biggest things I've seen in stores without schedules is they'll be pushing work away because they see a big stack of work orders, and they'll think, 'We're a week or two out,'" she says. "But when you start looking through the orders, you realize some of these are sublet, some of them are just quick service, some of these are things where we're waiting on parts, and we might not have work in two days.”

Another benefit of scheduling is that it opens up lines of communication. For example, service managers make an educated guess about how long a job will take, Ziebron explains. If a tech can see what jobs are coming up and how much time is allocated for each, it can help raise red flags if a job hasn't been allocated enough time.

A scheduling system can also help eliminate conflicts between sales and service. Sometimes conflicts arise when someone from sales comes into the service department and says, “Drop everything. We've got to get this boat rigged by the weekend.” Or “Drop everything because my best friend's boat needs to be serviced. I'm playing golf with him on Friday.”

With a scheduling system, the service writer can open up a book and look at the schedule together with other staff members.

“It really is so nice to have an honest discussion about what's going to have to happen, instead of just this 'Make it happen, stretch that hour out over three or four boats,'" Ziebron says.

Select the right tool

A lot of times people use technology, or the lack of it, as a crutch. However, successful scheduling systems can involve a white erase board, a metal tree, a scheduling book or an online system – providing dealers have a system and use it, according to Ziebron.

“I think we need to be creative in allowing our team to use the approach that best fits their comfort level and style," she says. "As long as

DEALER SPOTLIGHT

Marine Center of Indiana

Location: Indianapolis

Full-time Service Employees: 7

Average Technician Efficiency: 71 percent

Marine Center of Indiana prides itself that if a boat is dropped off on Monday, it will be repaired by Friday. And when a customer's work order is more than estimated, technicians are not paid for the work hours above the ticket estimate. In the winter, its techs are paid \$3 less per hour; however, they are guaranteed 40 hours of pay per week completing tasks like readying inventory for spring, cleaning the shop, tool repair, etc.



we're getting the same result, I'm not so picky about what tools they're using to get there.”

For those dealerships that use a simple scheduling book (physical or electronic), Ziebron recommends starting with a dispatch guide sheet. On that sheet, each one of your technicians is listed along with ratings of their skill sets on the various things you would have them working on. Take it to your best technician first and have him rate himself. Then, based on how he scored himself, the other techs will fall in line where they think they rank.

The advantages of this system are several. For example, when you're hiring a new tech, with a quick glance at the dispatch guide sheet, you can see the areas where your staff is weak. When it's time for training, it also helps you identify areas the team might brush up on. But most importantly from a scheduling standpoint, it really helps make the decision of who is the right tech to consider for a particular job.

When you're speaking with a customer, you can quickly identify which tech is right for the job, then flip to that tech's tab, look at their schedule and pencil it in.

Eliminate the excuses

Another excuse for not scheduling is, “We have so many boats ... we're not your average store.”

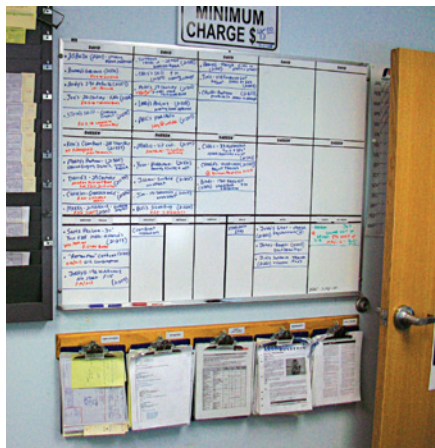
In that case, dealers can develop one schedule for rigging, one schedule for internal customers, one schedule for external customers, etc.

Whatever the size of the dealership, though, scheduling requires buy in from the top down.

“A lot of times I get a call from owners, and they want me to come in and fix it, but they don't want to be involved. And it really takes the involvement of everybody for it to work," Ziebron says. "I can fix it with your service team, and we can come up with a system. But if after we come up with a system, you're going to come in and demand things that don't fit in the current system, there's just no point.”

Take the first step

Though the tools are flexible, the objective of a scheduling system is solid. The goal is to work more efficiently and for every department to be on the same page about what jobs are coming down the pike. That includes sales, parts, techs and everyone else in the dealership.



A successful scheduling system can utilize tools as simple as a white board, like this one in the dispatch area at Florida's Homosassa Marine.

The first question to ask yourself, according to Ziebron, is whether you track your open work orders in one place.

Many shops have a system that allows them to access individual work orders, but they don't have one place where they can see everything at once. A simple solution is a route sheet. A route sheet is one sheet where you enter the basics every time you open a work order: customer name, contact information, boat information, primary concern, the status of the job and when you'll be communicating with the customer next. This can be physical or online.

That's the beginning of your schedule, and it allows you to quickly determine when a work order originated and decide which one you should look at first.

"First come, first served is not necessarily a great scheduling system by any means, but we should at least be able to know who came in first," Ziebron says. "And that should be a factor in determining when a boat gets looked at."

Choose a gatekeeper

A common scheduling mistake is allowing too many people to schedule.

One person needs to be chosen to set the schedule storewide. Other people can come in and talk to that person, but there has to be a gatekeeper. Ziebron suggests it should be one or possibly two people.

Who that person is can vary, depending in part on the size of your store, although it's usually the person who is writing up the tickets or a dispatch individual.

However, even if the person dealing with the customer is not the one setting the sched-

ule, he or she should at least have access to it.

One of the big advantages of scheduling is that it's visual, according to Ziebron. If a customer hears you say they're scheduled for a week and a half out, that's not as believable as if they can see you reference the schedule.

Track your absorption rate

Dealer to dealer, absorption rates are extremely different even though the dealerships might appear very similar and have the same number of staff and techs. To maximize results, dealers should consciously decide what their goal is and then track it.

"I sometimes have dealers who say, 'We can't have 100 percent service absorption, it's impossible,'" Ziebron says. "And if you say that, you're right, you never will. But there are certainly plenty of individual shops that all they do is service boats, and they're making a fine living off that. To say that it can't happen because of the size of your business, it absolutely can. You just have to make the decision of how important it is."

With that said, not every dealership needs to have a 100-percent absorption rate. If your priority is to have techs do building maintenance or set up boats shows, that can kill your absorption rate. It's a business decision each company must look at individually.

No matter what rate you decide on, though, tracking absorption is the most important first step. If you track it, the number automatically tends to go up, and dealers are more aware of what's going on and able to correct problems sooner.

The next question to ask is: If you were to set up a camera, what's pulling techs off their work? Are they having to look up parts? Are

they having to pull their own parts? Are they in charge of getting their own work order? Is the scheduling system efficient enough that they can just open a page, immediately see their next job and get to work?

Some of those things might be necessary parts of their job description. The rest can be eliminated. If you track that information and share it with them, the problem is much more likely to correct itself.

"If we're holding people accountable, through sharing the numbers regularly with them, it tends to improve," Ziebron says. "Whether or not pay is tied to it."

Improve your culture

The recession has had a negative impact on dealership cultures.

"People are being asked to do more with less. A just-be-happy-you-have-a-job kind of thing," Ziebron says. "And it's really affecting culture."

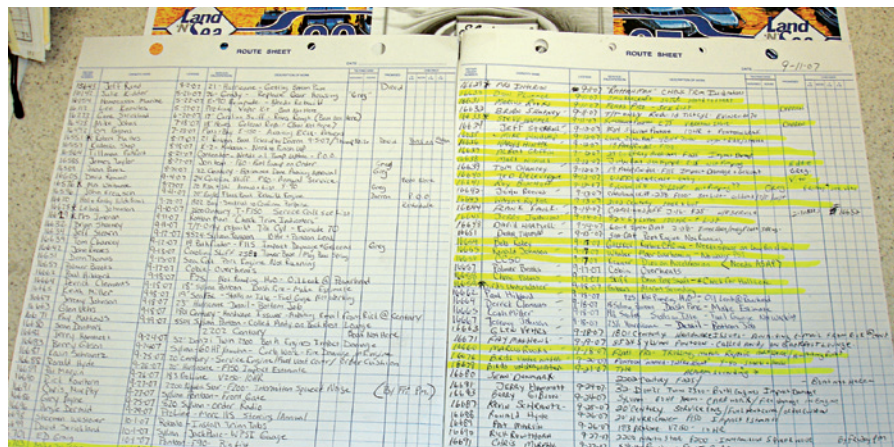
A lot of managers don't make the connection between culture and the bottom line, but there is a clear link. Culture affects how co-workers treat each other, which often determines whether your dealership fixes boats right the first time. This impacts employee satisfaction and customer satisfaction.

One question to ask your employees each year is, "Are you personally better at your job than you were a year ago?"

"You'd think that after a year, you'd automatically be better," Ziebron says. "But so many times they admit, 'No, I'm not, I'm worse.'"

A slow decline in culture is kind of like boiling a frog, she says. If you stick a frog in a pot of boiling water, it jumps right out. But if you stick it in tepid water and slowly raise the tem-

Route sheets are a simple way to help keep a dealership organized.





An organized service department, like the one seen here at *Legendary Marine*, is a good indicator of that department's culture.

perature, it doesn't even notice until it's boiling.

"If you were to take someone and stick them into their shop three years into the future, they'd say, 'We can't act like this,'" Ziebron says. "But when you slowly raise it over three years, like I've seen in this recession, it just becomes the new norm."

The key is to notice the problem as it develops, she says. Some questions to help you understand your culture are: If there's a piece of trash on the lot, would one of your people pick it up? What does your shop look like? Is your space organized? Do your employees look professional? Do they look and act like someone you would want to talk to your customers?

If you don't like the answers to those questions and suspect your culture has fallen off, Ziebron suggests commenting on the good, rather than always complaining about the bad.

Stephen Covey, author of the book "The 7 Habits of Highly Effective People," distinguishes between rewards and recognition. He says the key to lasting improvement is not so much the reward you get for achieving a goal as the recognition of the individual steps that led you there. Yet Ziebron says when she gives surveys, the most common question to which people answer "No" is "Do you receive meaningful praise?" And praise doesn't cost anything.

Find the right service writer

For a service department to reach its profit potential, it's critical for dealers to put the right person on the front lines as service writer.

"Most people take former techs, or older techs, or I-don't-want-to-turn-a-wrench-any-more techs, and that's just not who you want up front," says powersports consultant Sam Dantzler. "You want a salesperson up front."

Some dealers feel it's important that the service writer have intimate knowledge of the work being performed, but Dantzler says it

can be an advantage to have someone with less personal experience. That's because they aren't tempted to offer free advice on what the problem might be.

"I always compare it to going to the doctor. If I go to the doctor, he's not going to say, 'Oh, it might be your kidney or it may be this or it may be that,'" he says. "He's going to do some X-rays, he's going to diagnose the problem, and he's going to be very clear on what it is. And he charges for the diagnostic work."

Many dealers don't consider "service

writer" a sales position, but it's important for the person in that position to have a great bedside manner, according to Dantzler.

"You want someone who's going to have a smile on his or her face and say, 'You know what, I have no idea what the problem is, but I'm going to put my best technician on it. We're going to have a detailed list of everything you need – and by the way, as long as we're looking at it, have you thought about X, Y and Z?'"

Jiffy Lube is an example of how successful this philosophy can be. For every \$19.99 oil change, the average sale at a Jiffy Lube is \$72 because they discover that your air filter is bad or you need new wiper blades, Dantzler points out.

"If I come in for an oil change and that's all you give me and that's all you ask for, and there's no incentive as a salesperson to upsell, then you walk out with a \$19.99 average ticket," he says.

If you want service writers to act like salespeople, so that they upsell and increase parts

DEALER SPOTLIGHT

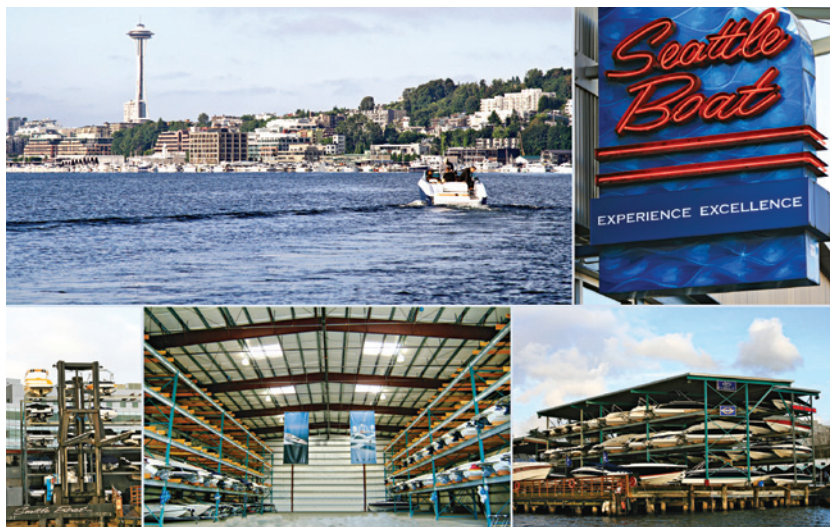
Seattle Boat Company

Location: Seattle

Full-time Service Employees: 16

Average Technician Efficiency: 85.29 percent

Management at Seattle Boat Company constantly reviews daily health reports, which measure the productivity of each technician. The reports immediately identify issues with yard management, employee health, equipment failures, etc. Technicians are monitored for compliance in the different areas so adjustments can be made by the next day to correct any productivity issues.



and accessories sold per repair order, you have to be prepared to pay them like salespeople. Too often, service writers are hourly employees or even salaried employees, where there's no incentive to increase sales and profitability.

"In that case, you've paid them to respond as a clerk and not as a salesperson," Dantzler says.

Owners who don't believe in compensating their techs and service writers based on performance should ask themselves the question, "What percentage of your paycheck is guaranteed?"

The answer is zero.

"Why is it we have such an issue trickling that concept down to our staff?" Dantzler asks. "We should pay for what they produce. And any tech that tells you otherwise is not a tech you want on your team."

Know your score

Imagine watching a football game where nobody knows the score.

"Is it third down or first down?"

"I don't know."

"How much time is left?"

"Four or five minutes, I don't know."

"Want to watch something else?"

"Sure."

If you don't know the score, you're not emotionally invested in the game. Dantzler says the same is true in a dealership.

"If you don't know what your line items per ticket is, it's not important to you," he says. "It's not even on your radar."

To get your staff invested and working to improve, everybody needs to know his or her score, every day. Decide what is important to you in each position, and have employees actually write down their scores at the end of the day in a place where everyone can see it, Dantzler suggests.

Have them write the score in green if they are meeting their goals and red if they're behind.

"If you have to use the red pen, I guarantee it doesn't feel good," Dantzler says. "And it just might make you upset enough to do something about it. The game changes when you know the score."

Get the right work to the right tech

It's critical to get the right jobs to the right person.

Dantzler compares a service department

to a triage unit during wartime, where patients are rushed to the appropriate medical personnel based on the severity of their injuries.

"In wartime, it's because you've got lives on the line," he says. "Someone may die if



The tech workstation at Sunrise Marine in Palatka, Fla.

you get the job to the wrong person. In the retail environment, your profits will die."

That's because it's inefficient to have your top techs spending time on simple jobs that could be handled by their less experienced peers.

"I don't want to give the A-level technician C-level work, just as I can't give the C-level technician A-level work," he says.

Instead, rate your technicians by dividing them into A-, B-, C- and D-level techs, Dantzler recommends.

Use a rolling bank

To help account for the seasonality of the marine industry, some businesses utilize a rolling bank.

That means the technician gets paid for what they produce, and that amount goes into an account that is tracked for the technician on a secure spreadsheet, explains Dantzler.

They get a consistent paycheck every month, and the overage stays in the account for the winter, so you can continue to pay the same amount throughout the year, even though there might not be as much work available. It's the tech's money, so if they quit, you cash them out.

The benefits of such a program are that it provides techs with financial consistency throughout the winter, which can lead to higher employee satisfaction and therefore higher employee retention rates. That saves you money and often delivers a better quality of life for your technicians. ●

DEALER SPOTLIGHT

Shipyard Marine

Location: Green Bay, Wis.

Full-time Service Employees: 6

Average Technician Efficiency: 42.1 percent

Shipyard Marine hands weekly efficiency reports to its technicians, and management discusses ways for each technician to improve. Although technicians are paid an hourly rate based on their education and experience, they also receive a quarterly and annual bonus if their efficiency is more than 60 percent over the time period. The dealership also posts a scorecard where the progress of daily, monthly and annual goals are discussed.



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