



Technician Coaching Best Practices

Increasing Service Margins by Properly Coaching Technicians

Executive Summary

Coaching employees is now a required skill for managers in a service organization. In the past, coaching was targeted at lower performing employees to improve performance to an acceptable level. Why stop there? All employees can benefit from a review of their performance based on established benchmarks. Coaching transforms the basic role of a manager from one of control and observation, to one of consultation, communication, and continuous feedback.

The benefits to an organization of a coaching led service management approach are transformational. Not only will companies see increased productivity and overall cost reductions, but employees buy into a process that they see provides them concrete feedback and opportunity to measure and improve their performance. In order to facilitate coaching your service organization, BEI Services has developed a set of tools that enable service managers to engage their technicians based on this approach.

This white paper focuses on how properly coaching technicians with the right information and tools can yield lucrative results to your dealerships bottom line.



General Study of Coaching vs. Non-Coaching Dealerships

BEI Services conducted a study of dealerships that coach vs. dealerships that do not, and the impact that had on various service performance metrics. The term 'coaching' has many definitions, but in the context of the study a 'coaching dealership,' is one that performs the following tasks on a regular basis:

- Meets with technicians to discuss achieved performance metrics, for example: First Call Effectiveness (FCE,) percentages of Hold for Parts (HP) and customer Call Back (CB) calls, and achieved Mean Copies Between Visits (MCBV).
- Sets performance goals and tracks and trends progress toward achievement of established goals.
- Has clearly defined expectations for job performance, including time accountability tracking.
- Follows up with technicians to provide performance related feedback.

“Improved management of start and end times, and more effective travel scheduling results in an additional 90 minutes of effective technician time every day.”

The results in areas related to time accountability are as follows:

| Stats | Coaching Dealers | Non Coaching Dealers | Difference |
|----------------------------|------------------|----------------------|-----------------|
| Average Start Time | 8:25 AM | 9:00 AM | 35 min/tech |
| Average End Time | 4:30 PM | 4:09 PM | 21 min/tech |
| Effective Accountable Time | 88.5% | 76.8% | 11.7% |
| Total Time Difference | | | 56 min/tech/day |
| Average Non Customer Time | 9% | 24% | 15% |
| Average Travel Time Min | 29:36 | 37:40 | 8:04/call |

When looking at start and end times alone, dealerships that do not coach lose 56 minutes per technician per day in ‘productive’ time. We also see an additional 8 minutes per call expended in travel or dispatch time. Based on an average of 4.5 calls per day, 8 minutes more travel per call, results in 36 minutes of wasted time per technician, per day.

Improved management of start and end times, and more effective travel scheduling results in an additional 90 minutes of effective technician time every day.

The disparity between coaching vs non-coaching dealerships is dramatic across every one of the key performance indicators we encourage dealerships to measure.

These all metrics result in each technician completing an average of 30 more service calls per month, as measured by average call per technician per month.

“Coaching dealers can complete the same number of calls with 7 technicians that a non-coaching dealership would need 10 for.”

| Stats | Coaching Dealers | Non Coaching Dealers | Difference |
|------------------------------------|------------------|----------------------|--------------|
| First Call Effectiveness | 56% | 34% | 22% |
| Call Backs | 30% | 42% | 12% |
| Return For Parts Calls | 14% | 24% | 10% |
| Gross Calls Per Day | 4.32 | 3.85 | 0.47 |
| Net Calls Per Day | 2.9 | 1.85 | 1.05 |
| Average Calls Per Month/Technician | 104.2 | 74.5 | 29.8 |
| Parts Cost Per Call | \$32.29 | \$38.20 | \$5.91/15.5% |

What is Required to Effectively Coach?

While effective coaching is not an exact science, there are a few key components that are essential to successful results:

- 1.) There must be a way by which statistical performance information can be gathered and tracked. Examples of information that should be routinely monitored include:

Time accountability (Start Times, End Times, Effective/Productive Time, Average Call Durations, etc.)

Job performance data (First Call Effectiveness %, Hold for Parts %, Customer Call Back %, Mean Copies Between Visits, Parts Spend Tracking, etc.) The tracking of this information should also be paired with routine inspections of work performed in the form of AM/PM checks and/or technician ride along.

Once performance statistics are gathered, national benchmarking comparisons will help to pinpoint areas where technicians excel and areas that need to be focused on for improvement. With this information, effective goals can be set that will have the greatest positive impact on performance. Additionally, without this comparison it is impossible to know if performance is truly satisfactory and up to par with industry standards.

- 2.) Job expectations and model/model family specific performance goals should be established, documented and communicated to technicians in a clear manner during a regularly scheduled coaching session/meeting. Ideally both the technician and manager should sign off on the established expectations and goals, and this information should be filed with HR in the technician's personnel file.
- 3.) Ongoing monitoring should take place tracking progress towards achievement of set goals and feedback should be provided to technicians.
- 4.) Consequences for non-performance should be defined and technicians should be made aware of corrective actions.
- 5.) Incentives should also be communicated to technicians to reward improvement in performance. This can be in the form of a monetary performance based incentive program. Typically, a program like this will pay for itself many times over as a result of considerable increases in productivity once established.



Conclusion

This study proves the considerable impact that technician coaching has on service operations. With the proper coaching techniques in place dealerships will realize:

- **11.7% increase in time management**
- **28.5% increase in calls per tech/month (44.6 hours/tech/month)**
- **15.5% decrease in parts usage**
- **Decreased manpower requirements**
- **Increased customer satisfaction**

So the question we were faced with at BEI based on the surprising results from the study was, 'why don't all dealerships coach?' Typically, the most common responses are:

- **It takes up too much time to collect and compile the needed data**
- **We don't collect the necessary data**
- **Too much paperwork is involved**
- **Manager feel uncomfortable**
- **It is hard to get buy in from techs**
- **It is hard to consistently track progress**

Many of these are valid reasons not to engage in coaching, and for this purpose BEI Services developed a new solution that addresses all of them, allowing for coaching with ease.

“Many of these are valid reasons not to engage in coaching, and for this purpose BEI Services developed a new solution that addresses all of them, allowing for coaching with ease.”

Solution

BEI Services Technician Assessment and Acuity Module is a result producing, productivity tool for Service Managers and Supervisors, to quickly and effectively review the performance of individual technicians and create and manage specific goals for continuous improvement. The information provided is based on current and world comparative data that only BEI Services can provide.

A dashboard style view displays overall technician performance statistics and color coded levels of achievement towards established expectations and goals. Model and technician performance specific goals can be easily set based on machines that have the highest Potential Call Reduction (PCR.) Setting PCR based goals will ensure that goals set for technicians are focused in areas that will have the greatest impact on overall performance, resulting in faster response times, improved first call effectiveness, and increased customer satisfaction.

Once goals and expectations have been defined, the assessment can be submitted and goals marked as 'official', at which point they can no longer be deleted and are now tracked. Upon submitting an assessment, a detailed PDF report will be exported, saving a comprehensive record and notes of the technician's overall performance and goal achievement for long-term HR personnel management.

Features

- Managers can set both expectations and goals in key performance areas including time management, First Call Effectiveness (FCE), Hold for Parts (HP), Mean Copies Between Visits (MCBV), parts spend and more.
- Achievement toward set expectations and goals is tracked and trended over a twelve-month rolling time frame.
- Create custom model groups for performance tracking and goal setting.
- Model specific goals can be easily set based on highest calculated Potential Call Reduction (PCR.)
- Expectations, goals and notes are tracked and documented.

For more information about how BEI can help build efficiencies in your business, contact us:

Contact Us

w: beiservices.com

t: 307.587.8446

Follow Us

f [BEI Services, Inc.](https://www.facebook.com/BEIServices)

t twitter.com/BEIServices

in [linkedin.com/company/bei-services-inc.](https://www.linkedin.com/company/bei-services-inc.)



BEI Services
Insight. Action. Profit.