



The Case for a Dealership Triage Process

By: Mark Martincic

Focus on

Service Triage

Triage has many positive impacts on a service department. It can increase gross profit, ELR, throughput and technician proficiency. It can also lead to quicker RO closing, “real time” RO management, accurate month-end WIP reconciliation process and improved customer satisfaction. All of these lead to an increase in **PROFIT!**

Why is it important?

Improved technician proficiency	Throughput is increased, leading to better technician and facility utilization. This is a domino effect in terms of both increased sales and gross profitability *\$'s and %)
Increased Effective Labor Rate	Improves gross profit (\$'s and %) and sales
Improved RO closing time	Improved cash flow, less discounting, fewer “forgotten” items not sold (i.e. hours not accounted for, parts, etc.)
Improved GL to WIP inventory reconciliation	Integrity in accounting reporting and accuracy of performance calculations

What to do now:

1. Identify a bay that can be used for triage. This should be close to the service advisor/dispatch area of the shop.
2. Identify technicians that can accurately and efficiently diagnose issues and communicate the repair solution to the repairing technician.
3. Develop the dispatch and control process to effectively assign jobs to the triage technician and control the jobs while the triage technician is working on the job.
4. Develop an effective communication process to communicate job status with the customer.