

## CASE STUDY: Creating a Customer-Centric Culture



### The Challenge

It was spring and Cerni Motor Sales in Youngstown, Ohio determined that their Service Department was not operating at the levels that they wanted, either in terms of performance or profitability. "Our service team didn't have a customer focus," said Vince Cerni, Leasing Manager.

"Our situation was like most service and repair shops. We weren't communicating with customers well, our time estimates were inaccurate, jobs were scheduled before parts were received and we just didn't have a real process, Cerni said. When KEA Advisors was contacted, Cerni Motor Sales specifically wanted to improve the level of customer service offered, as well as to improve throughput and reduce both cycle time and work in process.

### The Solution

With Mark Martincic as their KEA Advisors professional, in April Cerni Motor Sales undertook a "deep dive" into management practices. "Our team needed to understand the relationship between our services, the customers' needs, the business office and best practices," Cerni recalled.

The Cerni Motors Service Department studied strategic planning, organizational design and development, performance measurement, and culture management to build the knowledge base necessary for achieving scalable long-term business success. "Cerni Motor Sales didn't settle for a "bandaid" approach," Martincic said. "They understood that sustainable **PROFIT** would entail changing their culture."

Cerni Motors also concentrated on enhancing the leadership/management team effectiveness. This was done by designing strategies, strengthening skills in areas such as time management, delegation, decision making, goal setting and coaching and helping personnel understand how to lead change within the dealership.

"Revamping everything at once, some days are two steps forward and the next, two steps back. We are still a work in process." said Cerni. Major progress has been made in refining processes and repair order procedures. "We determined after the KEA Advisors visit that we needed to streamline our processes by developing a value stream map," he said. Another innovation was the creation of a "scorecard" for tracking internal improvements.



"Our service department is on a path for success. KEA has given our dealership valuable tools to assist our management team and support staff to attack our recommended improvements with confidence. Our new, well thought out process ensures a successful outcome. As with any change, there are shareholders that can stall the program and there are champions that can drive the program. We have been pleased to find diamonds in the rough that are continually driving our service department to improved customer service and increased profits."

## The Results

Even though Cerni Motor Sales was less than a year into its improvement project, the Service Department was already seeing benefits. Dwell days were reduced from a 12 day average to 7. There was a notable increase in the volume of estimates delivered to customers and an increase of more than 20 percentage points in technician proficiency. Monthly work in progress was reduced. Best of all, their Accelerated Service program allowed for decreased dwell days for their customers and has been a large part of their improvement in overall service efficiency rate.

One of the biggest changes taking place at Cerni Motor Sales is that not only is the business improving and becoming more profitable, the personnel are more productive, less frustrated and happier. They understand their roles in their department's success and know that they will be rewarded for their efforts," Martincic said.

