



## Managing Your Service Department to Maximum Profitability

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### Short Description of the Presentation:

The service department “should be” the most profitable department within the company....but it’s usually not. The two overall reasons for poor performance are improperly set hourly rates and poor management. This presentation is going to focus on the management side of the service department. We will talk about what Key Performance Indicators need to be tracked within the three divisions of the service department: Demand Service, Maintenance and ProfitSmart Activities. If your service department is going to be profitable, specific goals must be set and performance against those goals must be accurately measured. When that happens, profitability will skyrocket.

### Common Misconception within the industry:

“The service department’s hourly rate is so high it MUST be making money!”

### Demand Service:

- The affects of setting specific goals
- Reasons for poor performance
- Setting proper hourly rates
- Affect of flat rate pricing
- Three Key Performance Indicators (KPI's)
- Talk about a timesheet that will capture needed information

### Maintenance:

- Value of a Maintenance Agreement program
- The issue of “properly pricing” agreements
- Link between M/A and flat rate pricing
- Filling slow times (90 days per year)
- How to create the tech/dispatcher “Team” for selling maintenance agreements
- Two (2) KPI's to track

### ProfitSmart Activities:

- Talk about how to break through stagnant growth
- Look at industry closing rates based on differing lead sources (service lead, advertising lead, etc.)
- Benefits of marketing (not selling) through your service techs
- Why we don’t want techs selling replacement work
- How “Qualified Sales Leads” can make retrofit sales skyrocket
- KPI's to track