DRIVING INSIGHTS

EPISODE 04: ACTION LIST

Flat Rate or Flat Wrong?

1. Assess your current technician compensation model and identify areas where it may be contributing to high turnover, low morale, or decreased service quality.

• Understanding the shortcomings of your current pay structure is the first step in creating a plan for improvement.

2. Gather feedback from your technicians about their satisfaction with the current pay structure and what changes they would like to see.

• Involving your technicians in the process of evaluating and redesigning compensation models can help build trust and ensure that their needs are being met.

3. Research alternative compensation models, such as hourly pay with productivity incentives or a hybrid system that combines base pay with performance-based bonuses.

• Exploring different compensation options can help you find a model that aligns with your shop's goals and values.

4. Analyze your shop's specific needs, including skill levels, work mix, and customer expectations, to determine which compensation model would be the best fit.

• Tailoring your compensation model to your shop's unique characteristics can help ensure its effectiveness and sustainability.

5. Develop a proposal for a new compensation structure that includes a clear outline of base pay, incentives, and performance metrics.

 Creating a detailed proposal can help communicate the benefits and mechanics of the new compensation model to all stakeholders.



6. Present the proposal to key stakeholders, including management, service advisors, and technicians, and gather their input and buy-in.

• Securing support from all levels of your organization is crucial for the successful implementation of a new compensation model.

7. Create a plan for transitioning to the new compensation model, including a timeline, communication strategy, and training for managers and technicians.

• A well-organized transition plan can help minimize disruption and ensure that everyone is prepared for the changes ahead.

8. Implement the new compensation model on a trial basis, closely monitoring technician performance, satisfaction, and customer feedback.

• Piloting the new model allows you to assess its impact and make necessary adjustments before fully committing to the change.

9. Regularly assess the effectiveness of the new compensation model and make adjustments as needed based on data and feedback from your team.

• Continuous evaluation and refinement can help ensure that your compensation model remains aligned with your shop's evolving needs and goals.

10. Foster a culture of continuous improvement by encouraging open communication, recognizing and rewarding high performance, and investing in ongoing training and development for your technicians.

• Creating a supportive and growth-oriented work environment can help attract and retain top talent while driving long-term success for your shop.

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