

# **Blackpurl Performance Consulting**

**“Our aim is to help Dealers improve their business processes, so they can enjoy all that Blackpurl has to offer. We do this with honest and constructive feedback, guidance and mentoring.”**

# Technician retention

**Hiring, training and retaining competent staff is an age old challenge for all businesses. However, changing social attitudes towards a Technical Trade, as a career option, has created a slow decline in good quality candidates entering the Mechanical Trades over the last decade. This is now causing a shortage of supply for the Industry as a whole. Add to this the increase in technology employed in modern machinery and the need for good technicians is greater than ever.**

The laws of supply and demand are as applicable to labour as they are to goods. So the reality we must contend with is that good Technicians have strong bargaining power in today's economic climate. Dealers still have to manage customer price expectations and deliver high quality results from workshop activity. This is one of the greatest pressure points for Dealers today. How to remain profitable and retain technicians?

Normal management behaviour is to go straight to the wage situation and offer higher salaries. This reaction, while natural, is fatally flawed. Please consider:

- **Low wages are always a demotivator, but it has been proven over and over again that high wages are not a motivator. Once a good level of remuneration is reached, any excess payment has a rapidly diminishing effect on motivation and retention.**
- **Technicians, like all staff, want to feel valued and respected but unfortunately work in an area of the business that has high risk of customer dissatisfaction, purely due to the environment. Generally no customer really enjoys a trip to the service department, it is inconvenient and costly, when all they want is to have their machine working so they can enjoy it.**

- **Good quality Technicians are confident in their abilities but are always actively seeking opportunities to learn new skills or general technical knowledge.**

## **Best practice suggestions to be an employer of choice**

1. Set remuneration based on OUTPUT. not hours worked x hourly rate. a proven KPI is to be efficient and profitable a technician must charge out 3 times their prime labour cost. Set this as a benchmark and when a technician goes over this multiplier, share some of that with them as a bonus.
2. Ensure your Service Manager and Service Writer have a “value of job” culture. Using the hours clocked mindset has multiple problems to discuss in detail in another conversation. Charge what the job is worth. You will be surprised how invoice values increase.
3. Training, training and more training. Technicians enjoy it, they are learning new skills and becoming more efficient, which then helps increase invoicing values. While you give them a path to skill improvement it is hard for them to walk away.
4. Have a regular apprentice intake and training program. The best Insurance for technician departure is a pipeline of apprentices moving through to fill the gaps.
5. Equipment, is a big issue. Make sure it is modern, and works. Make sure each technician has a computer terminal and internal email address. If you need a Dyno, then install one. You can't be a modern and professional Dealership if your workshop is not.
6. Last but not least, MANAGEMENT CULTURE. Ensure a respectful, supportive and professional work culture exists in your workshop. If you want high quality results you need high quality people.

High quality people will not stay where they are not treated like high quality, because they don't have to, there are plenty of other workplace options.

## **Summary**

This is just a quick overview of what we know works. Your Dealership may be on top of all of the above, and that is fantastic. However, if you are struggling with Technician Retention think about what we have highlighted above. This could be a wonderful opportunity for you.

Usually the Dealer is not the problem, but Service Manager and Service Writer attitudes are. Sometimes they need training on best practice too.

If you need more detail, or just want to explore this a bit further, we are here to help.