



6 Six ways to attract and retain service technicians during “The Great Resignation”

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For decades, attracting and retaining top service technicians has been a problem facing all automotive dealerships, regardless of brand.

The problem is only getting worse. According to a 2020 survey of 17,500 automotive service technicians across 17 brands in the US and Canada:

- **13%** expect to leave the brand within the next 1-2 years
- The **majority** wouldn't recommend their workplace to others
- Only **24%** say they and the service advisor properly communicate to “Fix it right the first time”
- Fewer than **1%** are women
- **Two** of the biggest noted dissatisfiers are:
 - ① **Flat-rate pay for repairs**, which represents **25%** of their time on average and doesn't cover time for diagnostics.
 - ② **Multi-point inspections**, which they only get paid for if the inspections result in customer-paid work.

A standard practice has been to recruit technicians from neighboring dealerships for higher pay. But what managers find is the people who will leave other dealerships to come work for them are the same people who will leave their dealership to go work for someone else.

Compensation isn't the only answer.

So how do you attract and retain the best talent during a time when US workers are setting records for quitting their jobs?



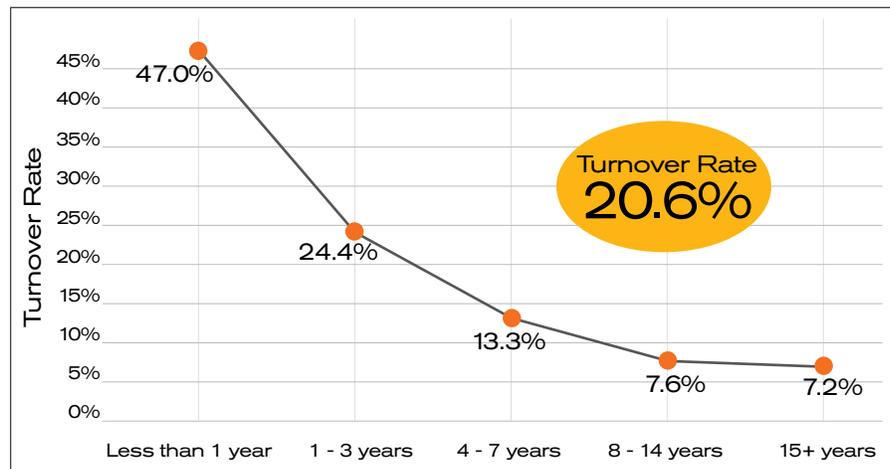
It starts with **knowing where to focus** your energy. Recent analysis of a major OEM revealed a pattern we've seen across the industry. While overall retention of service technicians is better than other dealership roles (sales,



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for example), the average rate of turnover is still in the 20% range. Nearly 75% of that turnover occurs within the first three years, with 50% in the first year alone.

Technician Turnover vs. Tenure



BIWORLDWIDE Automotive OEM Analysis, Service Technician Retention – November 2021

Focusing on attracting the right talent and onboarding them effectively will not only reduce turnover but have a direct impact on productivity and revenue improvement. In recent studies, those companies deploying best-in-class onboarding methodologies saw:

- Revenue improvement of **17%** versus **9%** in all other groupsⁱⁱ
- The percentage of first year employees who met their performance objectives jumped from **49%** to **77%**, an increase of **57%**ⁱⁱⁱ

Here are six ways to improve the way you recruit and onboard service technicians:

Change:

If your business has changed (and whose hasn't in the past 18 months?), who you are looking for should change. Many OEMs now offer a complimentary two-year maintenance plan, increasing the need for lower-level techs to address basic orders. Dealers are getting creative about exploring new sources for talent:

- One dealership hired a former Master Technician, who was teaching at a local vocational school, to lead their own training program and bring on entry-level techs.
- Another dealer specifically targeted Army veterans, finding them more mature and more disciplined.
- The shift to EV has created excitement within an entirely new talent pool.

Understand:

What prospective employees want most from their employer might surprise you. Understanding your dealership's current strengths, specifically in the areas most important to potential hires, will help you craft the right recruitment message.





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Brand:

Defining your employee value proposition (EVP) helps create your unique employer brand. Because employee engagement has such a strong influence on your customer’s experience, your brand may look and sound similar for both audiences – but now is the time to tailor your messaging to the things that matter most to your employees.

Source:

A strong candidate pool should include those in the so-called “passive talent market,” who aren’t looking for a new job but would be interested in a compelling offer that fits their career goals. For example, one dealership attracted entry-level technician students with more than \$8,000 in tools. While developing their skills, the techs leased the tools from the dealership at \$25 a week for four years, at which point they owned them for a maximum cost of \$5,200. If they left the program before then, the dealership retained the tools. Not only did this approach broaden the talent pool of new hires, but it also had a major impact on their longevity.

Appeal:

When you do find the right candidate, the most effective onboarding practices begin long before their first day. In fact, they should begin with the job posting. You need to tell a story that helps prospective employees learn about the job you are asking them to consider and the culture of your organization. Help them see there’s a good match between their goals and your open position.

Onboard:

The benefits of deploying onboarding best practices are striking. Failure is expensive. A new hire that doesn’t work out can cost three times their annual salary.^{iv} Best-in-class onboarding has shown a 33% year over year improvement in customer retention.ⁱⁱ

Here is an example of a major automotive OEM who is taking a fresh look at their entire training curriculum with a focus on implementing best-in-class onboarding techniques:

PHASE	Make them proud	Get them productive	Build their mastery	Reveal their future	Deal with change
DURATION	Week 1-6	Week 1-12	Week 13-26	Week 20-40	Week 1-52
GOAL(S)	Build an emotional connection to your brand, dealership and their field representative.	Develop core process skills, product/ competitive fluency and understanding of tools/resources.	Localize learning to market needs and build acumen in products. Demonstrate and apply skills in controlled environment.	Determine specialization and master certification path. Provide transitional certification opportunities for high-potential future performers.	Create repeatable road map of onboarding, accessible to field and dealer managers. Assist in the recruitment and hiring effort.
TACTIC	<ul style="list-style-type: none"> ■ Personalized welcome ■ Weekly “mini-learning” checkpoints ■ Field communications and in-person 1:1 meeting 	<ul style="list-style-type: none"> ■ Road map of introductory eLearning ■ Tool/resource tutorials ■ Live immersion events ■ System practice 	<ul style="list-style-type: none"> ■ Market segment-specific blended media learning 	<ul style="list-style-type: none"> ■ Product/technology immersion <ul style="list-style-type: none"> ■ Leadership preparedness training ■ Financial and inventory management 	<ul style="list-style-type: none"> ■ Hiring profiles/ archetypes ■ Job marketing assistance ■ Interview instruments ■ Candidate screening





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Automotive retail is changing. Now is an incredible time to assess your brand and adapt to what is most important to potential employees. Change where you look for talent and when you find the right people, onboard them effectively to get the greatest impact on your business and for your customers.

Visit our blog to read or share this article.

- i Carlisle & Company – Automotive Technician Survey, Fall 2020
- ii The Business of First Impressions – Aberdeen Group, May 2012
- iii Aberdeen Group, Onboarding 2013, A New Look at New Hires, p.11
- iv Wynhurst Group Onboarding Presentation at 2007 HRA-NCAQ (CD HRM) Conference