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CONTENTS

6

UNLOCKING PRODUCTIVITY

Creating a culture of excellence

14

LEADERSHIP SPOTLIGHT

Mike Vogel: "The Fixed Ops Coach"

24

NAVIGATING THE PETER PRINCIPLE

Develop Effective Leaders in Fixed Ops



9

▼ SCHEDULE

FIXED OPS MASTERMIND

February/March

16

5 LAYERS OF DEFENSE

For Dealership Security & IT Data



10

A CUSTOMER FOCUSED SERVICE DRIVE

*Navigating a changing
landscape to survive and thrive*



▼ COVER STORY



21

A VISIONARY JOURNEY:

Aaron Watters and the Rise of OEM Interactive

28

DEAR DAVE Vanished on Vacation

INDUSTRY INSIGHTS
Increasing Clicks

29

EMBRACING A COMPREHENSIVE LEARNING STRATEGY

*Utilizing diverse training
methods for optimal results*

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DEAR READERS

It is with great excitement and pride that we introduce the inaugural issue of *Mastering Fixed Ops*. This publication was created to be the essential resource for leadership, strategy, and educational guidance in the Fixed Operations sector of the automotive industry. With each bi-monthly edition, we aim to elevate the conversation around Fixed Operations and be a reliable partner on your journey to achieving operational excellence.

In today's fast-evolving automotive landscape, Fixed Ops departments have become the backbone of profitability and customer loyalty. The challenges faced by these departments are unique - rapid technological advancements, the shift toward electric and autonomous vehicles, and the increasing demand for streamlined, high-quality customer experiences. All of these issues require fresh insights, forward-thinking strategies, and continuous education.

"Mastering Fixed Ops" was founded on the belief that leaders in Fixed Ops play one of the industry's most complex yet rewarding roles. This publication is designed to support you in every way, from helping you tackle the latest industry challenges to guiding your implementation of best practices that can transform your operations. Our mission is to deliver the knowledge and resources you need to make informed, impactful decisions that will both drive revenue and build trust and loyalty with your customers.

Each issue will feature articles written by leading experts in Fixed Operations, case studies showcasing success stories, and interviews with the thought leaders pioneering the future of automotive service and parts. We'll cover everything from emerging technologies to workforce development and from customer experience to profitability metrics.

As we embark on this journey, we promise to be a guiding light and reliable companion helping you navigate the complexities of modern Fixed Operations. We're here to equip you with the tools, insights, and inspiration you need to turn challenges into opportunities and achieve mastery in your field.

Thank you for joining us in this exciting new chapter. We look forward to growing together with each issue of "Mastering Fixed Ops."

Yours in service,

Aaron T. Watters
Editor and Publisher, Mastering Fixed Ops

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UNLOCKING PRODUCTIVITY WITH THE MORNING HUDDLE

BY DAVE FOY

Dealerships often struggle with how to create a culture of excellence. Appreciation events, lunches, and awards are common answers - and they're great. But culture is leased, and you need to make payments every day. One way to create the culture you're seeking is to adopt a practice the restaurant industry has been doing for decades: **the pre-shift meeting.**

For my dealership, I call it the "morning huddle," and it's been a game changer in terms of production, motivation, and morale for our technicians, advisors, and parts department.

For years, I held twice weekly morning advisor meetings before we opened the doors and tech meetings on the first and third Thursdays of the month. It was how I was taught to manage a team, and I believed it was working - after all, I had award-winning, high-performing teams!

Everything changed after a conversation with a general manager named Mike. After noticing the separate meetings I was holding, he said, "Restaurants meet with all their staff together. Aren't you all a team?"

The question he asked in passing had a profound impact. I knew that restaurants and fixed operations operate in very similar ways. If it worked for them, why not us? Why wasn't I meeting with them together?

THE MORNING HUDDLE

Admittedly, meeting with everyone - parts, advisors, cashiers, porters, and techs - at the same time required some planning. I needed to establish when, where, and especially why. I scheduled the meeting to start before the doors opened and promised that it would be short - 15 minutes maximum - and have an agenda. I decided that the best place for the huddle was in the shop because it's the central location for all departments involved. I also wanted the technicians to be where they felt most comfortable since they're the ones fulfilling the day's work requests.

Most importantly, I told the team that the foundation of what we'd discuss was "For Team and Client" and emphasized that while our already established meetings were for long-range planning, the

morning huddle's specific goal was to set up each day for success.

Our morning huddle is more than just an exercise; it's an integrated way to help staff members see the operation from other points of view, become closer as a team, and reduce lost production time. Our agenda has evolved and improved over time. **Here are some tips and agenda items we've found work best for us:**



TEAM READINESS

Making sure that the team is ready to go and has the equipment they need is crucial to success. To facilitate that, we bring a copy of the day's schedule to every morning huddle, noting the specific jobs coming in and whether they're for diagnosis, check engine, suspension, diesel, or EV. I also note special-order parts as needed and have created a process for ensuring those parts will be there.

We start each huddle with a review of the day's schedule, including the number and type of appointments and if any appointments are assigned to a particular technician. This establishes a flow for the day. Technicians assigned specific jobs know what time to expect them so they can be ready and available and do pre-research as needed. Advisors



know what information to give customers when they arrive and are aware of busy light times to make sure they accommodate clients effectively. The parts department is also aware of anything that's needed to complete the day's jobs. If there's an alignment or repair that will include an alignment and the rack is tied up 'til after the needed time, we make adjustments. If there's an EV repair scheduled for 2p.m. and the EV specialist needs to take his son to the dentist at 1 p.m., we're prepared.



ATTENDANCE

Our next item is attendance. If anyone is going to be out for the day or week, or leaving early or coming in late, we call it out and match it with the schedule we've just reviewed to make a game plan to ensure our clients have a seamless interaction.

Since we meet in the shop, we can see the vehicles that are already in the bays and review the carryovers, the reasons behind them, and expected completion times. We frequently uncover issues not previously identified. A technician may say, "I'm waiting for a control arm that was ordered two days ago," and parts may reply, "That should have arrived yesterday - I'll check on it." It may be that the part was received and put into stock, or never

ordered, or was on backorder, and the tech wasn't notified - or they were but forgot! Whatever the answer, the morning huddle addresses the situation so the repair can move forward!

We review the technicians' hours. This keeps everyone engaged throughout the week, addresses mistakes, celebrates great performances, and identifies those who may need assistance. It also addresses issues such as a tech having finished a job the previous day and the hours not having been posted. The answer may be that the advisor left early or something else, but whatever the cause, the issue gets handled in the huddle without a technician wasting time later trying to address it.



REVIEW

Finally, we review where we are as a department against our monthly goals. This keeps everyone focused on results and keeps technicians and parts personnel up on the score of the game!

Our morning huddles are more than meetings where the agenda is just a list. They're daily opportunities for us to build a roadmap for a productive day's journey; along the way, they've made our team more inclusive and cohesive. It's what the morning huddle agenda can be for your team, too. *



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DAVE FOY

THE CUSTOMER FOCUSED SERVICE DRIVE

BY DAVE FOY

The automotive industry is known for its traditional approach, but today's forward-thinking dealerships are undergoing a radical transformation. From mobile repair units to cutting-edge technology integration, they're delivering service to customers in entirely new ways, and in reshaping their approach, they're meeting and exceeding customer expectations.



The key to success in any evolving landscape lies in continually seeking and acting on customer feedback. Winning is about meeting customers where they are – whether that's in their driveway, at a high-tech kiosk, or with a traditional in-person experience. By embracing technology, prioritizing transparency, and offering flexible service options, dealerships can not only meet but exceed customer expectations. Those who successfully navigate this changing landscape will not just survive but thrive in the years to come, building lasting relationships with a new generation of car owners.

“Embracing data analytics can also help anticipate customer needs and preferences...”

employees feel empowered to share insights and suggest improvements based on their interactions with customers.

Embracing data analytics can also help anticipate customer needs and preferences, allowing for proactive service offerings and personalized communication strategies. This data-driven approach, combined with a genuine commitment to customer

satisfaction, will set successful dealerships apart in an increasingly competitive market.

THE SERVICE DRIVEWAY

One of the most significant shifts in recent years has been the emergence of mobile service units. This innovation has brought the dealership's expertise directly to the customer's driveway or workplace, addressing a long-standing pain point for many car owners.

Jeremy Stephens, Director of Remote Service Operations at Bozard Ford Lincoln and a leader in this space, noted, "We discovered there's a huge gap... that they've been screaming about it for years. They really don't like coming to the dealership for service."

This insight led to a surge in mobile service offerings. Dealerships are investing in fully equipped service vans staffed by skilled technicians who can perform

PRIORITIZE FEEDBACK

Look at every part of your business through the customer lens. After being in a dealership for a long time things appear normal, but someone entering with fresh eyes sees things that nobody else does.

By continuously evaluating their processes from the customer's perspective and empowering employees to provide feedback, dealerships can stay ahead of the curve and deliver exceptional service experiences. Start by creating an environment where

a wide range of maintenance and repair tasks on-site. This both caters to customer convenience and allows dealerships to expand their service capacity without adding physical infrastructure.

The mobile service model is especially popular in urban areas where customers value time-saving solutions. By offering a more personalized, approachable, and convenient service experience, dealerships are building stronger relationships with customers.

“Effective technology implementation goes beyond digitizing existing processes”

Many dealerships now offer virtual tours of their service areas, detailed explanations of common repair procedures, and even live video feeds of repairs in progress. This builds trust and helps customers understand the value of professional dealership service compared to cheaper but potentially less reliable alternatives.

Look at every part of your business through the customer lens. A lot of employees have been in the dealerships for a long time, so everything's normal to them. You need to have a Grand Opening mentality every time you open the doors!

HARNESSING TECHNOLOGY

While the human touch remains crucial, technology is playing an increasingly important role in streamlining processes and improving the customer experience. Dealerships are investing in sophisticated software systems that handle everything from appointment scheduling and inventory management to customer communication.

Greg Uland, Vice President of Marketing at Reynolds and Reynolds Company, emphasizes the importance of choosing the right technology. "There's a big difference between taking away the process that we've always done versus having software or technology of some kind handle a process for us."

This distinction is crucial. Effective technology implementation goes beyond digitizing existing processes; it involves re-imagining workflows to create more efficient, customer-friendly experiences. For instance, advanced diagnostic tools allow technicians to quickly and accurately identify issues while customer-facing apps provide real-time updates on service progress.

Kiosks in service departments are another technological advancement gaining traction. These self-service stations can handle check-ins, basic service requests, and even payments. This reduces wait times and frees up staff to handle more complex customer needs.

TRANSPARENCY AND EDUCATION

Modern consumers are more informed than ever, and dealerships need to recognize that transparency builds trust. Beyond simply receiving an explanation about the cost of repairs, customers want to be educated about the reasoning behind service recommendations.

TAILORING THE SERVICE EXPERIENCE

The one-size-fits-all approach to customer service has become obsolete. Today's dealerships should offer a range of options to suit customer preferences and needs. **Choices might include:**

- Self-service options for tech-savvy customers who prefer minimal interaction
- Full-service advisors for those who prefer personalized guidance
- Flexible, extended appointment hours, including early morning, evening, and weekend slots
- Pick-up and drop-off services for customers unable to visit the dealership

Dealerships that cater to a wider range of customer preferences and lifestyles will improve overall customer satisfaction and loyalty.

THE HYBRID MODEL IS THE FUTURE

Greg Uland predicts, "We're going to end up with a blended model. It's probably going to be some combination of the two."

This blended approach might involve offering mobile service for routine maintenance while keeping more complex repairs at the dealership. It could also mean providing customers with the option to start their service experience online and finish it in person or vice versa.

Looking ahead, the most successful dealerships will likely adopt a hybrid model that combines the best of traditional in-person service with innovative mobile and digital solutions. This will allow dealerships to meet diverse customer needs while maximizing efficiency and satisfaction. *



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LEADERSHIP Spotlight



MIKE VOGEL

We are proud to introduce you to this month's leadership spotlight recipient, Mike Vogel.

With a career spanning 47 years, 35 of those in leadership positions, Mike Vogel has earned being known as "The Fixed Ops Coach." Few people have the experience this man has or who has had such a positive influence on so many. He continues to provide coaching and consulting for leaders and companies servicing the automotive industry, and we are fortunate that he is one of the mentors available on the Fixed Ops Mastermind platform.



About Mike

Mike started his career as a porter for Avis. His first dealership job was with Bronx Honda, Mazda, and Buick. Cutting your teeth at a dealership in the Bronx has its advantages! Realizing early that keeping customers happy was a key driver to success, Mike worked hard to develop those skills and eventually became a service advisor.

Mike was so successful in that role that he was chosen as 'next up' for a service manager's position. Looking back, he says he was 'put' in the position and that, like so many others, he was provided no training on how to be a leader. What he knew was that team member retention is the key ingredient in customer retention and long-term success. Relying on his innate customer relationship-building skills, he applied them to his new team, coaching and cheerleading them every day.

Mike says you should always focus on the customer experience first, and the numbers will follow. "Without this mentality, you'll always be chasing the numbers and treading water rather than growing."

Q. What three leadership books do you recommend?
Broken Windows, Broken Business - Michael Levine
The Pursuit of WOW! - Tom Peters
What Got You Here Won't Get You There - Marshall Goldsmith

Q. How do you continue to grow and develop as a leader?
I'm a big believer in the following three things:
You should always be learning,
Push yourself harder than anyone else,
Never be satisfied (there's always room for improvement).

Q. What qualities do you think today's leaders are lacking?
There's so much pressure on making a budget, producing a profit, and hitting CSI metrics that today's leaders' people skills get lost. Achieving your objectives is important, but it takes people to get there! You have to be your team's head coach and head cheerleader every day.

Q. If you had to boil everything you've learned down to a single piece of advice, what would it be?
We're in the "people" business ... we just happen to fix cars. If you put people first and focus on their happiness, everything else will fall into place. *

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5 LAYERS OF DEFENSE

for Dealership Data and IT Security

By David Cantor Adams

You run a busy dealership. Sales are robust, the service department is active. Every day, customers come and go from the service department waiting area. The service garage space has a sign that says, 'no customers allowed', but the occasional customer wanders into the garage space to check on their car. Some people drift into the show rooms while others just settle into a chair and turn on their laptops.

When it comes to protecting customer data, auto dealerships face unique challenges due to the multi-use nature of showrooms - spaces open to the public for both sales and repair. Unlike a traditional office, sales and service workspaces are exposed. The nature of the business means many strangers will pass through the dealership daily. It is a busy environment where you want to balance the difficulties of welcoming the public while also maintaining security.

The most effective approach to protecting your customer and their personal information is to diversify your defense strategies so that every aspect of your business is hardened against an intrusive event.

Cybersecurity professionals often utilize the concept of 'layers of defense' to achieve control robustness. The idea is that you are implementing security in several overlapping ways to slow down or even prevent a security breach altogether. Here are five layers of defense that combined will make your dealership and data more secure:

1 POLICIES, PROCEDURES AND AWARENESS

Proactive digital security starts at the top of an organization. You should have a robust policy set that includes acceptable use of technology for employees, detailed procedures to manage vendors, a WISP, and a plan to regularly assess vulnerabilities across the organization.

Establish processes and procedures to detect, respond to, and recover from security incidents. Document those in an Incident Response Plan and test the plan regularly to ensure it provides value during an incident.

Are your employees getting adequate security awareness training? Conduct regular training on both physical security and safe online practices. Utilize email phishing training to keep users informed about emerging threats. Employees are your best defense and raising their overall knowledge about security best practices will reduce the likelihood of them falling for a social engineering attack.

2 PHYSICAL SECURITY

In a sales setting, creating physical security doesn't have to be intrusive. In fact, it can be part of your sales effort. By diligently educating your employees and implementing security focused policies, you can effectively bolster defenses while building trust and good-will with your customers.

Employees should be trained to pay attention to unfamiliar people and restrict customer access to employee spaces as much as possible. Make note when the same people are showing up multiple times. Consider having a 'greeter'



who greets customers and inquires about their needs. Show signs of monitoring the public spaces. Cameras can serve as an excellent deterrent and should be utilized in every public space. Utilize signage and training to reinforce to both customers and employees that all garage/service bay visits require an escort.

Offering Guest wireless is expected by customers. Make sure you are offering password protected network access and post signs with the SSID and password in many locations, so the customer knows exactly what to sign into. The guest wireless should be effectively segmented from your production network. Guest networks should provide internet access only, with content screening for appropriateness in a public space.

Make sure that workstations located in public spaces are enclosed. Specifically, block access to the back of the device and don't run switches or other connectivity devices on desks or in accessible spaces. Manage wiring and tie up loose cables so that no open connections are exposed.

Store physical data securely when not in use by locking offices, filing cabinets, or data storage rooms where feasible, ensuring only authorized personnel have access. While often overlooked, after-hours cleaning staff, maintenance personnel, and visitors pose potential risks to physical data due to their proximity, accessibility, and trust within the premises. Be sure to establish visitor and maintenance management procedures to track and monitor individuals entering areas where customer information is stored or processed.

3 NETWORK PERIMETER

The corporate network and internet are critical assets that literally run the business. While technology is expensive to purchase and support, it has become essential for selling a car. Make sure your firewalls and switches are reviewed and patched regularly. Newer firewalls are equipped with more current encryption ciphers and offer traffic monitoring usually with utilization graphs accessible from the browser. Firewalls represent the digital front door at your dealership so you should make a point of keeping those devices current. Acquire support contracts on routers, access points and switches ensure that firmware is monitored and updated as new patches are released.

Another reason to have a current firewall or similar security appliance is to utilize intrusion detection and prevention systems to monitor network traffic for malicious activities or security policy violations.

Lastly, take advantage of wireless technology. Putting devices on a wireless connection allows you significantly

more control over who has access and makes attacks harder. Utilizing a wireless guest network lets you limit physical access to the wired network by deactivating wall jacks throughout the public spaces.

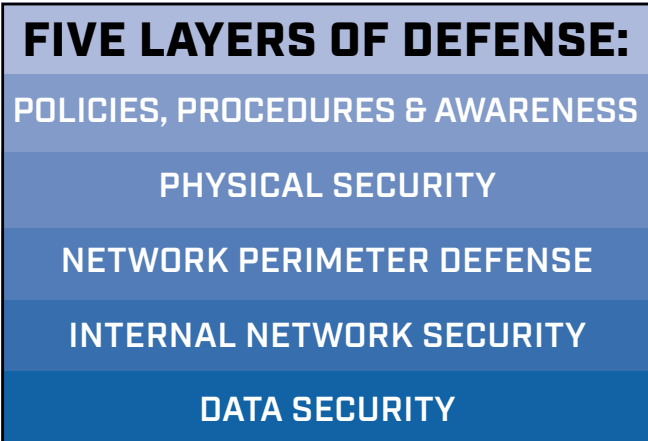
4 INTERNAL NETWORK Secure your internal network by keeping workstations up to date with the latest patches and firmware updates. When software companies announce flaws that require patching, there is a race between the attackers, vendors, and users of the vulnerable device. The sooner operating systems are patched, and virus signatures are updated, the shorter the window available to potentially compromise customer data. Remove unnecessary software and ensure applications are the most current versions.

While you are reviewing your software patching, take a good look at your virus or malware product. Is it scanning activity in real time? Does it monitor both web activity and malicious code? Invest in a quality endpoint detection and response package for your workstations. Endpoint products will monitor the device for malware, viruses, malicious code and potentially prevent a ransomware or other attack from being successful or spreading. All operating systems are susceptible to compromise and should have proactive malware detection.

Finally, if you are managing more than 5 workstations you should consider utilizing an identity and access management system such as Microsoft Entra ID or Jumpcloud. These subscription-based cloud applications will ensure that users and devices are authorized to access your network and must authenticate their identity when using corporate resources.

5 DATA SECURITY Just like physical security, training your employees to be situationally aware will help secure customer data. Keep desks free of visible sensitive information when not actively in use. Promptly collect all documents from printers as soon as sending the job. This is especially true for a shared printer located in openly accessible spaces. Lock drawers and doors when leaving work areas that house sensitive and customer information.

Encrypting hard drives is another viable method to protect your data. Both BitLocker on Windows systems and FileVault on MacOS are free products built right into the operating system. Once a hard drive is encrypted, it can't



be installed into a different machine to access its contents.

Even more important is to use secure services that encrypt transmissions when collecting sensitive customer data such as licenses or loan applications. Encourage employees to enter or scan customer information directly into secure applications or databases instead of printing or copying the item.

If you do have printed documents containing customer information, be sure to have either local shredders or a shredding service and collection bins.

CONCLUSION

While you might already be implementing some of these suggestions, remember that **the more layered the security changes you make, the more difficult it is for an attacker to compromise your data** and your customer's private information. Ask your internal IT person or managed service provider about your firewall or patching processes. It is also advisable to have a third-party review conducted to test the security measures you have in place.

Several described items such as encryption and establishing policies such as a WISP, are required by law and enforced by state or federal authorities such as the FTC. In fact, the FTC Safeguards have required many of these items since June 2023.

All this effort can be a reassuring message to deliver to your customers. Providing examples throughout the sales and then financing and insurance process of how you are securing customer data will enhance your credibility and build trust that will carry into the future. It's a compelling story to tell your customers and another reason to make layers of defense a priority in your environment. *



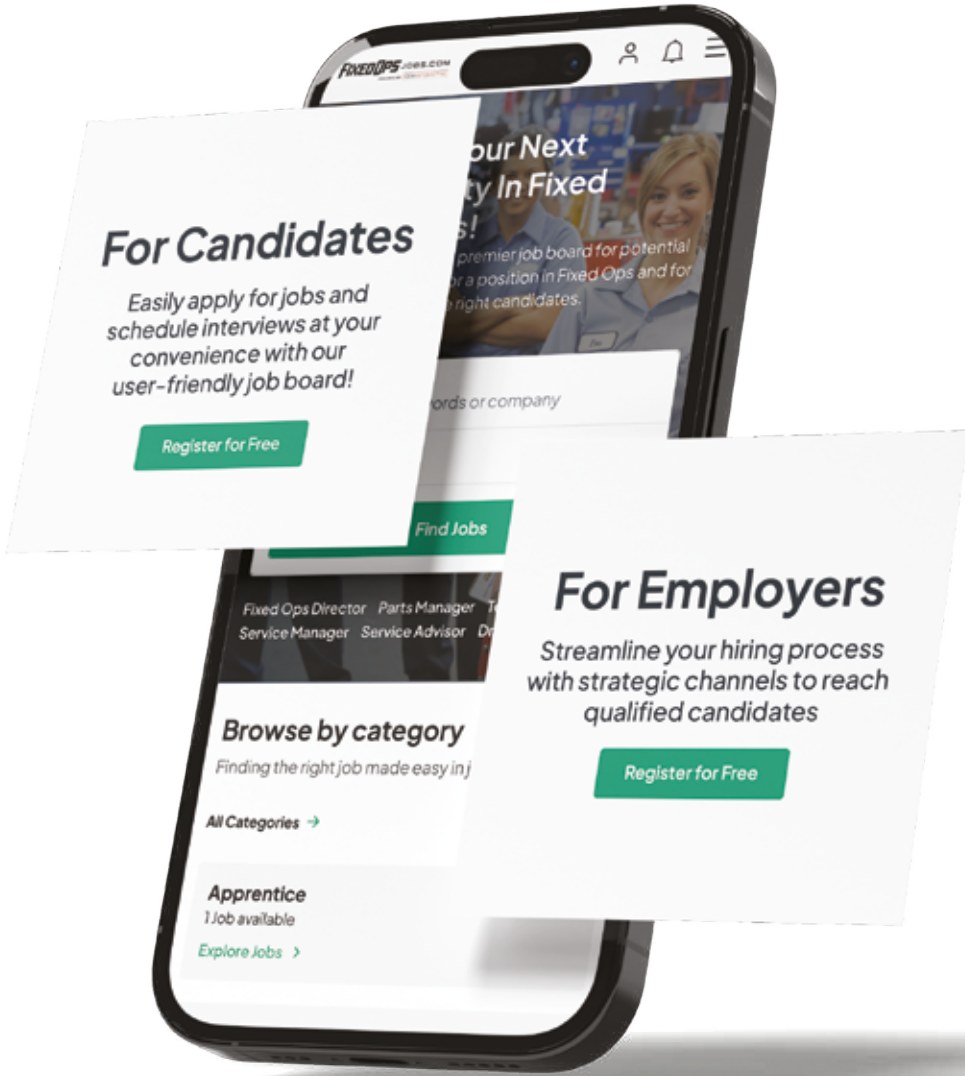
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A VISIONARY JOURNEY:

AARON WATTERS AND THE RISE OF OEM INTERACTIVE

Aaron Watters follows the same routine every morning when he enters his office. The president and CEO of OEM Interactive turns on the light, gets himself set up, and then thinks about how he and his company can be better than they were the day before. The goal of constantly improving is one of the engines driving OEM Interactive's success.



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"I do not want to be complacent. I strive to do better each day," says Watters. "Learning, growing, and helping my team evolve professionally and personally is at the core of our philosophy."

After leaving one of Boston's largest advertising agencies in 2015, Watters reached out to local dealerships in Boston about marketing their parts online. He quickly realized the immense potential of his acorn of an idea and the impact that his new company — OEM Interactive — could make on the industry.

"My grandfather always called me his little acorn, and that analogy has stuck with me. Starting OEM Interactive was like planting a small acorn, but now it's growing into a mighty oak in the industry," reflects Watters, who keeps a jar of acorns on his desk as a constant reminder of growth and potential.

Watters started OEM Interactive, a Massachusetts-based company, by putting one dealership's parts and accessories inventory online and creating customized marketing strategies to help sell them. Today, OEM Interactive has grown into a full-service digital marketing firm that includes a network of hundreds of partners across the U.S. and Canada and encompasses the automotive, power sports, and RV industries. The company was recently listed on the prestigious *Inc.* **5000's list of America's Fastest-Growing Private Companies** for the second year in a row and is on track to achieve the same milestone this coming year as well.

Returning to the acorn comparison, Watters explains, "I love to use analogies. Regarding the acorn, any idea, no matter how small, can make a significant impact." OEM Interactive's success

is owed to more than Watters' innovative approach: it's deeply rooted in the vibrant corporate culture he has cultivated. The company's philosophy is **"Our People, Our Partners, Our Purpose,"** which underscores his commitment to collaboration and mutual success.

OUR PEOPLE

What distinguishes OEM Interactive from others in the industry is the people who work with Aaron. "I would not be here, and OEM Interactive would not be where we are today without the people here. I do not have employees ... I have colleagues. There is no ego. The team is built on the common goal of helping our partners achieve their goals! If you build the right team of individuals with the same common goal, you will only know success". When asked about

Aaron and his team, **Mike Parenteau, Parts Director at Nucar Toyota of Attleboro**, could not stop praising them.

"Aaron has built a great team at OEM Interactive. They're not just marketers...they're fixed ops members, people who have worked in the parts department. They understand this business as a whole. They have helped increase my accessory business to the point where I am number one in the district for Toyota sales," says Parenteau. "Every time I reach out to Aaron and his team, they respond right away, within hours, not days. They go above and beyond!"

Randy Koch, former Fixed Operations Director at Scherer Mazda, has worked with Aaron since 2016. "When I was starting out as the fixed ops manager at my Mazda dealership, we didn't have an e-commerce

OEM INTERACTIVE

infrastructure, and I noticed that my local customers were turning to other vendors who were online. I knew things had to change. I contacted Aaron and OEM Interactive, and they helped me create the brand 'Mazda Swag.' They turned our site from not even being on the map to being the largest seller of Mazda parts and accessories in the United States."

Randy loved working with Aaron and the OEM Interactive Team so much that he decided to join the team as the Vice President of Partner Development. **Rachael Lowe, Former Parts Manager from Werner Mazda**, said, "Randy brings tremendous value, not only to the OEM Interactive family, but also to our partners. If I ever have an issue, whether it's site-related, a shipping problem, or just need to talk out an idea, I can give Randy a call. If I'm having an issue, I know it's something that he's seen before and that he can walk me through it, especially coming from a Mazda background."

OUR PARTNERS

Aaron has expressed his distaste for the words "vendors" and "clients" many times on podcasts and interviews, and for good reason. He views his OEM Interactive relationships as partnerships. "We are not a vendor, we are a partner," he insists. "Our partner's success is our success, and we stand shoulder to shoulder with them every step of the way"

That mentality has driven the success of OEM Interactive, as well as their partners' success in parts and accessory sales. Businesses that work with OEM Interactive sell, on average, 3.2 times more parts and accessories than those that don't partner with the company, but those numbers only capture a fraction of the story.

Anthony Blubello is the Parts Manager at West Chester BMW. Discussing the success he's experienced from partnering with OEM Interactive, he says, "Anyone thinking about using OEM Interactive should pour a cup of coffee, pull up a chair, take your shoes off, and stay for a while. You're going to get comfortable, trust me! OEM Interactive is great! They literally do it all! Which allows me to do my job!"

What distinguishes OEM Interactive from others in the industry is the people who work with Aaron

Echoing Anthony's words, **Tim Price, Director of Parts Operations at Ken Ganley Westside Imports**, said, "We could not have asked for a better partnership than the one we have with OEM

Interactive! Aaron and his team have not only helped us grow our business, but they have also helped us navigate the ever-changing coop requirements. The OEM Interactive team submits for coop reimbursement on our behalf and has helped us

increase our profitability by utilizing the funds that are available to us."

OUR PURPOSE

Just like the fabled acorn that grew into that mighty oak, it takes a lot of nurturing to help OEM Interactive's partners grow. "Over the past few years, we've continued to hear some of the same concerns from our partners, such as hiring, retention, training, service departments, and marketing solutions," Watters said. "If our philosophy is to be a true partner and teammate, then we need to truly listen to what they're saying, what their pain points and obstacles really are." As a result, Watters and his team at OEM Interactive will be launching a series of new solutions for 2024. One of their new projects is **Fixed Ops Jobs**, a job board to search for fixed operations jobs as well as talent, and **Fixed Ops Mastermind** is an online and in-person fixed operations academy training that will bring some of the best thought leaders in the industry together to help train and retain your talent. **Parts Messenger Pro** is a text-to-chat solution for your - website that will help convert more online traffic into sales, all while reducing overhead costs. According to Watters, there may be a few other things in the works as well. *

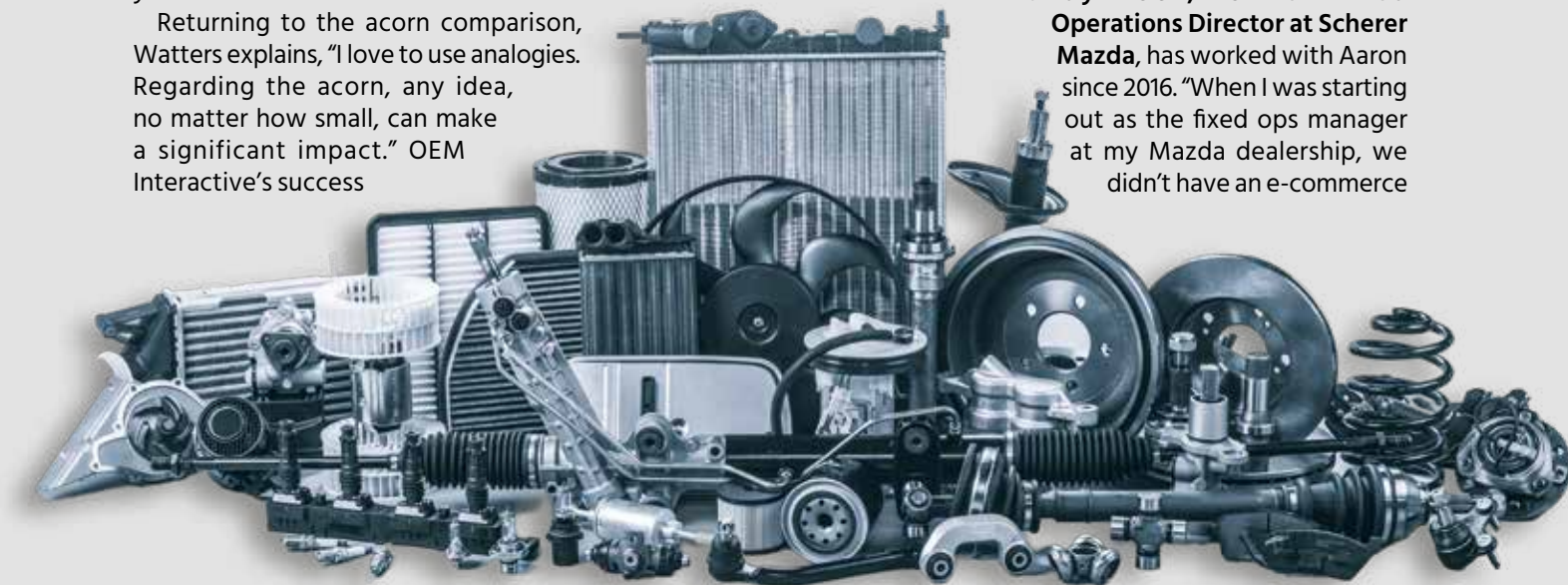
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NAVIGATING THE PETER PRINCIPLE:

Developing Effective Leaders in Fixed Ops

By Dave Dubin, PHD

In the dynamic landscape of Fixed Operations, where the rubber meets the road in automotive service and parts departments, the journey from the service bay to the manager's office is fraught with challenges that often go unnoticed. The transition from technician to leader in these high-stakes environments is pivotal, yet many emerging leaders find themselves

ill-equipped for the complex demands of their new roles. This phenomenon, akin to the Peter Principle, reveals a critical gap in leadership development within the sector. Specifically, this principle describes the phenomenon where employees, especially individual contributors, can rise to their "level of incompetence," a concept all too familiar in the fast-paced world of Fixed Ops.

The **Peter Principle** in Play

Originally articulated by Dr. Laurence J. Peter in his 1969 book, the Peter Principle suggests that employees are promoted based on their success in previous jobs until they reach a position in which they are no longer competent. In Fixed Ops, this is manifested when top-performing technicians, advisors, or parts associates are elevated to managerial positions without the requisite leadership skills, inadvertently setting them up for challenges that neither they nor their organizations are prepared to tackle.

The **Fixed Ops** Conundrum

In the realm of Fixed Ops, the stakes are particularly high. According to the National Automobile Dealers Association (NADA), dealerships' service, parts, and body shop operations account for a significant portion of dealership profitability. With customer retention and satisfaction hinging on the efficiency and efficacy of these departments, the role of leadership cannot be overstated. **Yet, the industry faces a paradox: the very technicians and specialists celebrated for their technical acumen are thrust into leadership roles with little to no formal training in management, communication, or strategic planning.**

Bridging the **Leadership** Gap

Addressing this leadership gap requires a tailored approach that acknowledges the unique challenges and dynamics of the Fixed Ops environment. A bespoke training program designed with the intricacies of the automotive service and parts sector combined with a comprehensive understanding of the new or potential leader will stand the best chance of success. Such a program would equip emerging leaders with the necessary managerial skills and foster an environment where continuous professional development is valued and encouraged, a win for employees and organizations.

An **Effective** Framework

The first step in this journey is identifying the leadership gaps and strengths within the organization. This involves a comprehensive assessment of current and potential leaders through 360-degree feedback surveys and leadership personality assessments. The goal is to create a detailed profile of each leader's skills, identifying areas for development and strengths that can be leveraged to benefit the team and the organization.

The **360-Degree** Survey

360-degree surveys offer a comprehensive view of an individual's performance, encompassing feedback from a wide range of stakeholders, including peers, direct reports, and supervisors. This holistic approach to feedback is particularly beneficial in Fixed Ops, where the interplay between different departments and functions is constant, and the quality of leadership can significantly affect team morale and efficiency.

These surveys can uncover insights into how a leader's behavior is perceived across the organization, highlighting areas of alignment or disconnect between self-perception and the perception of others. For instance, a technician-turned-manager might see themselves as a strong communicator, while their team might highlight areas for improvement in clarity or responsiveness. Identifying such gaps is the first step toward targeted development initiatives, enabling leaders to hone the specific skills that will enhance their effectiveness.



**360-degree surveys
can facilitate a culture
of continuous feedback
and improvement**

Furthermore, 360-degree surveys can facilitate a culture of continuous feedback and improvement, which is essential in the fast-evolving automotive industry. By regularly engaging in this process, organizations can foster a sense of accountability and personal development among their leaders, directly contributing to a more dynamic, responsive, and customer-focused Fixed Ops department.

Personality Assessments

Personality assessments play a pivotal role in the leadership development journey, offering insightful glimpses into the innate tendencies, strengths, and areas for growth of individuals. In the high-octane environment of Fixed Ops, understanding how potential leaders might react under stress, collaborate with

peers, or drive customer satisfaction is crucial. These assessments can pinpoint traits such as resilience, empathy, assertiveness, and conscientiousness, which are vital for leadership in settings where customer relations and team cohesion directly impact the bottom line, and they can provide some of the reasons why these leaders are perceived the way they are in the 360-feedback surveys discussed above.

Leaders who exhibit **resilience** and **adaptability** under **pressure** are more likely to navigate the complexities of service and parts management **successfully**

For instance, an individual's response to stress - a critical aspect of leadership in the fast-paced Fixed Ops environment—can be assessed through these personality frameworks. Leaders who exhibit resilience and adaptability under pressure are more likely to navigate the complexities of service and parts management successfully. Conversely, those who tend to respond to stress with indecision or avoidance might struggle in high-stakes situations, indicating areas where targeted development is needed.

Incorporating personality assessments into the leadership development process allows organizations to craft a more personalized and effective training program. By identifying each potential leader's strengths, such as a natural inclination for

problem-solving or team motivation, as well as areas for improvement, like conflict resolution or stress management, the training can be tailored to address these specific needs.

Moreover, by understanding the personality-driven behaviors of their leaders, organizations can better align their leadership teams. Complementary skill sets and temperaments can be strategically com-

bined to enhance team cohesion and operational efficiency. For example, a leader with strong visionary traits might be paired with another who excels in operational execution, creating a balanced and effective management team.

By integrating a comprehensive personality assessment with a 360-degree survey into the leadership development and identification process, Fixed Ops can significantly enhance its approach to nurturing effective leaders. This strategy not only addresses the inherent challenges posed by the Peter Principle but also sets a new standard for leadership excellence within the automotive service and parts industry.

Tailoring **Training**

Leveraging the insights gained from personality assessments and 360-degree surveys, organizations within the Fixed Operations (Fixed Ops) sector can design highly efficient and effective training programs tailored to the specific needs of incoming or new leaders. This targeted approach to leadership development ensures that training is not just a one-size-fits-all solution but rather a strategic investment in cultivating leaders who can navigate the unique challenges of the Fixed Ops environment.

The nuanced data gathered from personality assessments provide a comprehensive profile of each leader's innate tendencies, strengths, and potential areas for development. For instance, a leader who exhibits high resilience but lower interpersonal sensitivity might benefit from training modules focused on empathy, communication, and team engagement. Similarly, an individual with strong analytical skills but lower stress tolerance could be guided through stress management and decision-making under pressure.

With these insights in hand, the next phase is designing and implementing a bespoke training program. This program should be multifaceted, encompassing

pendently, applying new real-life skills and receiving feedback that fosters continuous improvement.

The Path **Forward**

Implementing such a comprehensive leadership development program may seem daunting, but the potential benefits for Fixed Ops departments and the automotive industry are undeniable. Improved leadership leads to more efficient operations, higher employee satisfaction, and increased customer loyalty and profitability. By investing in the growth and development of its leaders, Fixed Ops can turn the challenge

Communication,
conflict resolution, **team building,** and
customer service excellence should be
core **components** of the curriculum

not only the hard skills of leadership, such as financial management and operational planning, but also the soft skills critical for success in a service-oriented industry. Communication, conflict resolution, team building, and customer service excellence should be core components of the curriculum.

Moreover, the training program should be dynamic, adapting to the industry's evolving needs and the leaders' individual growth. Blended learning approaches, which combine in-person workshops, online courses, and hands-on coaching, can provide a flexible and effective framework for leadership development. This approach allows emerging leaders to learn inde-

of the Peter Principle into an opportunity for innovation, success, and a competitive advantage.

As the automotive industry continues to evolve, so must its approach to leadership within Fixed Ops. By acknowledging emerging leaders' unique challenges in this sector and providing them with the tools and training they need to succeed, dealerships and service centers can ensure their continued growth and success in an increasingly competitive marketplace. The journey from the service bay to the manager's office need not be a path to the "level of incompetence" but a route to new heights of professional achievement and organizational excellence. *



DEAR DAVE



DEAR DAVE,

Earlier today a customer drove off in another customer's car thinking it was their loaner car. I cannot reach the customer as they were heading on vacation! How do I tell the missing car's owner about this?

- VANISHED ON VACATION

DEAR VANISHED ON VACATION,

This sounds like sand in your bathing suit kind of situation! First you need to try every method of contact you have for the customer - even social media. If after that you still cannot reach them, it is time to face the music. Call the customer and tell them what happened and hope they do not want to send you on a trip!

- DAVE

TO ASK DAVE FOY:

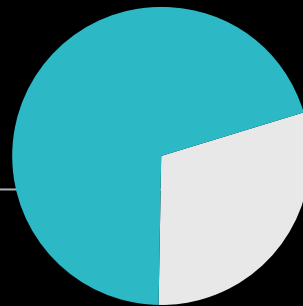
Send your question(s) to
dfoy@oeminteractive.com

INDUSTRY INSIGHTS

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PRODUCTS WITH CUSTOM IMAGES
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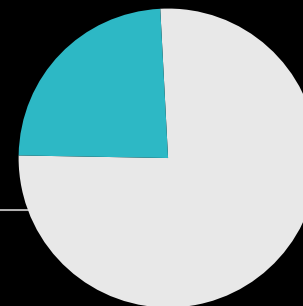
70%

MORE CLICKS



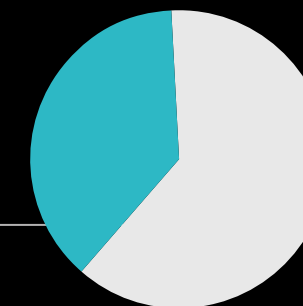
24%

INCREASE IN
CONVERSION RATE



38%

INCREASE IN
RETURN ON AD
SPENDING (ROAS)



TAKEAWAY

*The more humanized and customized
your website is, the more you will sell.*

Source: OEM Interactive Internal Study

EMBRACING A COMPREHENSIVE LEARNING STRATEGY



Consistent team training and development is the catalyst that transforms potential into peak performance and shapes the future of your business. For your employees, it provides opportunities to learn new skills, become more confident in their roles, and earn more money. For you, it aids in retention, builds culture, and develops leaders whose contributions enhance your success. With many options for providing this essential benefit, the integration of diverse training methods – in-person, recorded courses, and live virtual sessions – is the most effective, efficient, and economical way to deliver a sustained, well-rounded learning experience.

The Real-World Benefits of Team Training

Allowing your team to learn and grow checks a lot of boxes that go beyond improving skills and knowledge. Training builds culture. It ensures that your employees are constantly engaged and creates a recognition that your dealership or group is investing in their future. This has a significant role in retention and quickly pays for itself. According to the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey (JOLTS), though employee turnover in the United States marked its lowest level in 11 years in 2021, it still reached an astonishing 34%! When you compare the costs of hiring, process building, and time spent getting a new employee up to speed, then add in the intangible costs of lost relationships with customers, you begin to understand the real benefits of investing in your staff.

The Hybrid Training Model

Some people believe that in-person, live training is the gold standard, but not everyone is comfortable with in-person role-playing. Some enjoy live virtual sessions, while others learn best from recorded courses that allow them to learn at their own speed and revisit information that they didn't immediately understand.

For this reason and many others, a hybrid approach that combines in-person training, recorded courses, and live virtual training is often the best answer. It ensures that all learning styles and preferences are met while providing flexibility for employees to learn in the way that suits them best and optimizes their retention of information. Your goal is to make sure each team member is receiving information in a way that suits their learning style.



In-Person Training: The Bedrock of Practical Learning

In-person training remains the gold standard for imparting practical skills. Because people interact and respond to each other differently, having a variety of trainers is preferred and increases interest. Even larger dealership groups that have invested in in-house trainers supplement their staff with external trainers and training platforms that offer diverse viewpoints and ways to learn.

In-person training offers an unmatched opportunity for leadership development, as it lets budding talent engage in real-life scenarios. Workshops can be designed to simulate difficult situations, including challenging customer interactions and team conflicts. These experiences are invaluable for developing the soft skills necessary for effective leadership.

Live training can be arranged in several different ways. A trainer can come to the store and offer enrichment sessions for one to three days, or an “off-site” can be held in a hotel conference room to mark the importance of what is being taught.

Training for service advisors generally involves having the trainer interact with staff directly in the service drive. Alternative methods include having team members go to other locations for training. These sessions may include other stores in the group or several team members from different dealerships around the area. All of these methods work to reinforce previous training sessions.

Keeping an open mind about how best to offer in-person training and development allows you to explore new possibilities for engaging the team.



Recorded Courses Offer Consistency and Convenience

For flexibility, recorded courses are unmatched. They allow employees to learn at their own pace, pausing and revisiting complex sections as needed, and make it easier to deliver a range of information appropriate to individual experience levels. They are ideal for onboarding, allowing new hires to get up to speed on systems and processes faster and minimizing interruptions in production or customer service.

Well-produced recorded courses typically have key takeaways and include a knowledge test at the end. Many also offer a certificate of achievement or completion for the employee to display, helping to create greater engagement and pride.



Live Virtual Training is Interactive and Accessible

Live virtual training combines the interactivity of in-person sessions with the convenience of digital platforms. These sessions can include role-playing exercises that allow employees to practice and refine their skills in a controlled yet realistic environment that offers the opportunity for collaborative learning. Attendees can engage with each other on best practices, share experiences, and brainstorm solutions to common dealership challenges online, fostering the same sense of community that comes with live in-person training, even if they are geographically dispersed.

Hybrid Training Maximizes Learning Outcomes

A hybrid approach to training can significantly enhance the learning experience. Consider the following scenario: A dealership is rolling out a new customer service initiative. The training could start with in-person sessions for a hands-on introduction to the model and follow with recorded modules for in-depth learning of additional information. Virtual sessions could be scheduled later to address Q&A, role-playing, and sharing of best practices.

The hybrid approach offers the benefit of personalized training experiences, as employees can choose the method that best suits their learning style. It also can be more cost-effective. Taking advisors off the service drive, even for valuable training and development, can be difficult, depending on staffing levels.

Combining in-person training with recorded and virtual sessions reduces overall training costs and minimizes downtime.

A Future-Focused Training Model

Training in the automotive dealership industry is essential to success, but it doesn't need to be complicated. Utilizing the concept that no one method serves your entire team or goals, you'll be better able to offer the training and development that works for everybody.

By embracing a combination of in-person, recorded, and live virtual training methods, dealerships can have a comprehensive and flexible learning environment that leads to more engaged team members, greater customer satisfaction, and alignment with the evolving industry demands. Together, these elements contribute to the success and growth of your dealership. *

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