

Operation Recovery: The way to start stronger!

Article 2 - Measuring Workshop Performance

The oldest and most well-known way to measure the performance of the workshop's workforce is by "clocking". But because of the way information about service time, start / stop time and breaks are collected and inserted into the system, this subject always provokes controversy in dealerships. **The clocking method is difficult to execute and unfortunately, most of the time, useless.** Not because information is not valuable, but because little is done with it and is not reliable either. Because it is easily manipulated, it turns out not to be a safe basis for making decisions, while ironically, companies invest in people and other resources based on these numbers.

In one of my walks at visit to a dealership, I noticed a line of five technicians at a counter where they waited, each with a service order (SO) in hand, to make the clocking. I asked why they themselves did not clock, avoiding waiting. The manager explained to me that the brand they represented was quite demanding as to the clocking and asked for a productivity of at least 80% to not lose out on bonuses. So it was very important to have someone dedicated to "controlling" the time. When the queue finished, I went to the "controller" and asked how he "controlled productivity", to which he replied: "I clock and keep a track. When the worker spends 80% of the time, I quit the job even if he hasn't finished the job yet." Later, in this same operation, I found that only eight of the sixteen available technicians were reported to the automaker, which guaranteed good KPIs' of productivity, clocking and use. Who are we trying to fool? It may seem strange, but most of the times, the clocking serves only to prove the unlikely: as the stock of labor is perishable, it must be sold before winning. In general, 50% of it is lost, since unsold labor simply cannot be traded anymore, it goes straight to waste. The problem is the clocking and KPIs' linked to it. At the same time that a client needs to wait days for a appointment availability, there is idleness in the



workshop, as we seen earlier according to productivity reports. This gives a good idea of what has not evolved over time, as I mentioned earlier in the **previous article "The cost of wasting time"**. I remember the large boards with magnetic parts with the same respective numbers and colors of the cones on the roofs of the cars in the workshop, representing them. Even today it is possible to find similar tables in most dealerships. With different formats, but without making any contribution to improve the flow of the process.

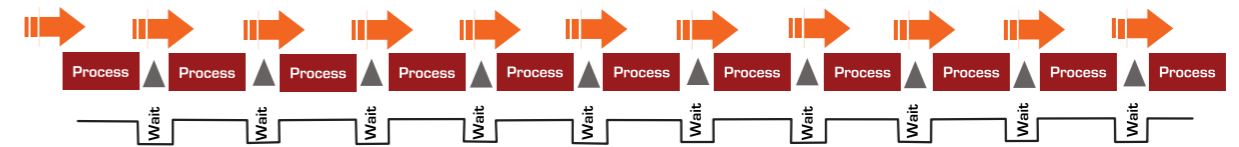
There are also digital board models that are part of the operating system. Some with good potential as a scheduling tool. As an incredible system that I saw created by the company itself in a beautiful workshop of premium vehicles in Rio de Janeiro – but, most of the time, used as the old boards: to sort the queues and manage the chaos.



No boards, magnetic or digital, nor programs, clocking will solve the productivity problem. They can at most report the size of this chaos and alleviate some symptoms. Comparing your company's productivity indicators with those of other workshops does not guarantee better results. I have participated in numerous meetings, formal and informal, in which managers and directors blamed teams for lack of productivity. They compared them with the competition, with data from the dealer association and with the indicators required by the automaker and pressed the managers, who pressed the supervisors, who then passed the pressure on to the production: "We need to work harder, people" See how this works?

To really understand the reason for the low productivity, it is necessary to measure the flow.

From the beginning of the process, the first contact with the client and every step of the process. Where are the bottlenecks? What are the difficulties for the productive to perform their tasks? What and



how do you spend your time? And, finally, have a clocking model that is worth using. Otherwise, clocking is just another waste.

1Knowing the process and analyzing it, it is possible to understand where the waste is and study ways to eliminate it.

Adopt Lean thinking in your Dealer and witness a radical transformation in the company.

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