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## BUILDING A BETTER BUSINESS

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# PAPERLESS DOCUMENT TECHNOLOGY

## HOW TO BECOME AN EFFICIENT, MODERN DEALERSHIP

BY MARK SINANIAN

Technology is changing the way auto retailers manage their business. Advancements in document workflow automation have helped dealers gain efficiencies, increase Technician productivity and reduce costs — all of which have helped them to increase profits while improving responsiveness to consumers.

Unfortunately, many dealers have been slow to adopt new technologies, continuing to embrace a legacy approach that drains efficiency from the dealership. The approach is so familiar and tolerated that most operators do not recognize it for the economic drain it is. Yet this inefficient business practice wastes time, money and resources, and its puts customer security and retention at risk.

Processes that create and churn paper documents and require labor and time drive up costs and slow Service delivery. Today, how paperwork flows through a dealership from point of origin to final storage can expose the business to unnecessary risk of identity theft and the potential of resulting legal complications.

One approach to solve the problem is found in the practice of Business Process Improvement (BPI). BPI takes its cues from W. Edwards Deming's Total Quality Management and Lean Management's principles. Industry research has made the case that there's a direct, positive correlation between effective document management and improved business performance. Digital dealerships — modernized to eliminate



paper and paperwork — are more streamlined, organized, efficient and faster to respond to customer and OEM inquiries.

### Paperless BPI Can Help Your Dealership

Marcey Uday-Riley, who leads an organization development practice for IRI Consultants in Detroit, says the auto industry's adaptation of paperless systems is comparable to Electronic Medical Records (EMR) in the health care industry. EMRs have revolutionized health care because the technology makes it possible to have a patient's records accessible at every approved point anywhere.

Many dealerships, having embraced technologies to improve other processes, are still handling documents the old way. Servicing a vehicle requires volumes of paperwork. It must be printed, often scanned and copied, and then assembled, always passing between people and departments, to satisfy billing, warranty claims and customer records.

A paperless BPI investment can:

- Streamline workflows by eliminating time-consuming and expensive printing, scanning, routing, etc.
- Enable faster query response from OEM, customer or internal inquirer, as digital documents are indexed together and accessible from any authorized terminal.
- Reduce or eliminate data entry errors, misplaced files, and eliminate the buildup and retrieval costs of paper files.
- Reduce warranty claim chargebacks by ensuring all supporting documentation is captured at the point of the Service transaction and is readily available.
- Eliminate paper menus in the F&I office, capture digital signatures and capture and file deal jacket contents. This helps dealership compliance with consumer finance regulations.

### Paperless BPI in Service

Service processes have the most to gain from modern process improvement:

- **Service Desk:** Online and BDC customer appointment scheduling frees Service Desk personnel from processes that detract from customer focus. A digital repair order is populated with customer, vehicle and other data from the DMS and then electronic dispatch automatically matches Service op codes to Technician availability. The populated digital RO is then pushed to the designated Tech's terminal, so they can "clock in" and begin the work.

- **Service Advisor:** Digital write-up tools enable Advisors to quickly capture and process vehicles as they arrive, whether scheduled or not. Freed from manual data entry, Advisors can better focus on addressing customer needs.

- **Service Bay:** With an RO, inspection and diagnostic documents, including notes and other supporting annotations created or captured digitally, Technicians are able to focus on servicing vehicles. An independent study revealed that in high-line dealerships, Techs could spend on average up to 10 minutes per RO printing and handling paper. Some dealers say that going paperless enables Technicians to service more vehicles per day.

- **Warranty Administrator:** Digitally indexed and archived, all warranty claim support documentation is quickly accessible. One dealer has reduced chargeback losses to almost zero since using paperless technology in the Service Department.

#### **Paperless BPI and Conservation**

For many OEMs, including Volvo, Toyota, Honda and others embracing conservation practices for their dealers, "going green" by reducing their stores' carbon footprints is an increasingly socially conscious investment. Paperless BPI practices can help these dealers and their OEMs become better stewards of the environment. For instance, Fields Volvo of Northlake, IL was the first Volvo store to attain LEED certification. The dealership recycles rainwater, uses wind and solar technologies and uses paperless document management in the Service Department to improve workflow productivity.

For some dealerships, the savings from eliminating paperwork just in the Service Department alone can be tens of thousands of dollars. Paperless BPI may be a dealer's best opportunity to achieve competitiveness by transforming traditional paper-burdened processes into streamlined, digital workflows, enabling them to conduct business with seamless efficiency and accountability never before imagined.



*Mark Sinanian has 30 years' experience with Canon, covering a broad spectrum of expertise within the document management and printing industries. As Senior Director of Integrated Solutions for Canon Solutions America, he is constantly looking for ways to leverage Canon's imaging technology legacy to enhance the way companies do business. Mark's position within the Enterprise Services & Solutions division covers a wide array of duties that draw upon his extensive background.*

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