



Vehicle Repair Center: optimization through scalable concepts

By José Luis Estévez, Director Operations, Formel D Group

Customer service now plays an increasingly important role in the holistic consideration of the vehicle lifecycle. Proactive quality- and solution-oriented handling in this field forges a sustainable positive relationship to the brand. Formel D is aware of the importance of customer loyalty, so it now offers a similarly wide range of services in the aftersales area as it does in development and production. Service, vehicle, dealer and warranty management form the basis of the service portfolio in this segment.

The economic upswing in Spain is currently ensuring that the country is yet again one of the 10 strongest passenger car producers worldwide. The industrial landscape there is characterized by production sites of a wide range of different international OEMs. The main companies to settle in the sector-specific conurbations besides manufacturers are suppliers and service providers. Ever since it was established in the year 2000, Formel D has helped local customers with a comprehensive service portfolio to make full use of their growth potentials. For example, this experienced partner to the automobile industry

carries out repairs for various manufacturers nationwide as part of aftersales service. In the Vehicle Repair Centers (VRCs) designed to meet the demand, Formel D implements a constantly improving process of quality optimization, thereby making a substantial contribution to increasing customer satisfaction.

Made-to-measure solutions

Formel D has had extensive experience in the fields of retrofitting and reworking. Long years of cooperation have also given it a well-founded knowledge of customer demand



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and quality requirements. In the planning and implementation of the VRC, the qualified employees bring in their long-standing knowledge of the sector as well as intercultural know-how gleaned from various sites worldwide. The

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5S workplace method

The 5S method is a concept belonging to lean management which describes a systematic procedure for structuring workplace and work environment to make the entire value chain more efficient.

The blanket terms "sort", "set in order", "shine", "standardize", and "sustain" describe the five phases of the method. It allows employees to organize their workplace in a secure and sustainable way and constantly optimize the quality there by identifying deviations in processes.

experts use this specific expertise to evaluate the project phase in each case and define its aims. To allow well-structured optimization, the members divide up the measures to be taken into three phases of implementation: stabilization, productivity and efficiency. First, the Formel D team analyzes the initial situation. In the first phase, the project managers comprehensively take stock of the order management process up to now. The important thing here is to convey to the employees on site the understanding of change management as an opportunity to optimize processes and face the challenges together.

As part of the change process, a team made up of Formel D experts takes care of personnel planning and knowledge transfer and equips the workshops according to the requirements. The definition of the key performance indicators (KPIs) and the introduction of the 5S workplace methodology round off the measures taken in the first phase. Then the second

phase begins, in which the employees realize the goals defined in the action plan. Among other things, these include an increase of productivity to 100 percent, the optimization of the process chain and a regular exchange of ideas concerning current projects. The KPIs defined allow the results to be documented and assessed transparently. The aim of the final phase is to uphold the performance and improve it as far as possible. This is achieved through a sustainable increase in efficiency, constant further training of the employees or the improvement of the capacity. A long-term strategic orientation is required here, so after completion of the third phase, Formel D starts stabilization again by auditing the measures implemented up to now and optimizing them constantly. This rotation principle allows even the smallest detail of daily operations to be adjusted in the best way possible.

Transparent order management

Parallel to the constant internal process optimizations, the Vehicle Repair Center is where Formel D concentrates on providing the OEMs with a transparent information tool giving them access to the work processes. The Dealer Management System (DMS) specially installed for this purpose functions as an interface here. This is a program equipped with previously defined applications for supporting communication between manufacturers and suppliers. Various monitors assist the team on site by visualizing the progress made by the vehicle from entry into the system and compliance with the time schedule to final completion of the project. The DMS allows manufacturers to

follow this process by giving them access to the data too. In this way, the quality standards defined beforehand can be implemented in a comprehensive way, and any changes in the demand can be promptly responded to. As in all projects, Formel D operates proactively, and its monitoring measures follow a holistic approach which has a sustainable positive effect on the brand image as well as customer satisfaction. This is proven not only by the KPIs, but also by the results of audits carried out at regular intervals.

As a partner to the automotive industry, Formel D is not only at its customers' side in the downstream fields of activity. Instead, the Group realizes high-quality services worldwide in the context of the automotive value chain as a whole. The international perspective and the detailed knowledge of the sector help experts to assess the project and ensure that their standards meet future requirements too.



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