The National Automobile Dealers Association (NADA) has prepared this management guide to assist its dealer members in being as efficient as possible in the operation of their dealerships. The presentation of this information is not intended to encourage concerted action among competitors or any other action on the part of dealers that would in any manner fix or stabilize the price or any element of the price of any good or service.

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EXECUTIVE SUMMARY

A range of factors, including the image problem facing the trades and the ever-expanding demand for auto repair, has made it increasingly difficult for U.S. auto dealers to hire enough qualified automotive technicians to fill the growing numbers of empty service bays.

A Dealer Guide to Recruiting and Developing Technicians analyzes the problem and details ways to locate young people and encourage them to enter the field of auto repair. Suggestions include partnering with corporate training programs, vocational schools, and community colleges that train students in auto repair. All known Job Corps centers that offer auto repair training are listed by state, and other nonprofits that provide automotive repair training are discussed.

THE PROBLEM

One of dealers’ greatest concerns is (or should be) the growing auto tech shortage. From coast to coast, the undersupply of auto technicians is nothing short of dire. The Bureau of Labor Statistics projects that by 2020, the nation’s demand for auto technicians will grow by 10 to 19 percent. But the expanding need for all these technicians is not being met by vocational educational programs. A recent article in the trade press reported that only about 35,000 technicians were completing their training in the U.S. each year. That number included auto, collision and diesel technicians.

Not only are the numbers of auto technicians not rising fast enough to meet demand, but the labor pool is actually shrinking. “Occupation Report: Mechanics (2009-2012)” found that about 40,000 mechanics would leave the field in 2012. “This is not measuring jobs added,” report author Rob Sentz said, “which is actually far less than the turnover. These are just the mechanics leaving the workforce by switching fields or retiring.”

By Sentz’s estimation, each year there will be 40,000 fewer auto techs to fill the 13,500 new job openings in the field. As of 2012, the average age of auto technicians at General Motors, Ford, and Chrysler dealerships was in the early 40s. Replacing this large cohort of skilled technicians as they retire is going to be an uphill battle, to say the least. In this guide, we’ll suggest a number of ways in which you can fill the empty service bays in your dealership.

Profile of Today’s Automotive Technician

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Value</th>
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<tbody>
<tr>
<td>Average Age</td>
<td>42 years</td>
</tr>
<tr>
<td>ASE Certifications</td>
<td>4</td>
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<tr>
<td>Average Training</td>
<td>100 Hours/Year</td>
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<td>$35,000</td>
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<tr>
<td>Computer Literate?</td>
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</tbody>
</table>

Source: Automotive Service Excellence (ASE)

Hundreds of dealerships were closed by the Big Three in 2007. For the dealerships that managed to stay in business (or return to business) after the economic collapse of 2008, new-car sales plummeted so badly that new-car departments, for the first time in decades, were actually losing money. Dealerships cannot sustain profitability through new-car sales alone.

In some cases, fixed operations helped dealers survive. Fixed ops can be so lucrative, in fact, that entrepreneurs recognized the profit opportunity and began opening competitive service stations specifically for quick lube, light maintenance, tire work, and
the like. In the face of stiff competition from the mushrooming independent service stations and quick lube centers, dealerships began to price their services more competitively while upgrading their facilities.

New-vehicle dealers invested heavily in service and parts to increase sales and customer satisfaction. To increase customer convenience, 83 percent of dealers now offer evening and/or weekend hours. In 2012, the service department was open about 57 hours a week on average, compared to 56 hours in 2011, according to NADA DATA 2013. And the opportunity is growing for factory-authorized service and maintenance on the millions of vehicles coming off initial lease that are sold or re-leased as factory-certified used vehicles.

At the same time, the American population is growing, and a larger populace will only increase the need for auto technicians. At NADA-ATD car and truck conventions, entire workshops have been devoted to the question of where to find these elusive technicians. Generally, the answer seems to be: You've got to grow your own. But that answer begs a new question: How do you grow a bumper crop of entry-level technicians when young people just don't seem to be interested in cars or car repair?

First, allow us to indulge in a bit of nostalgia. From about the 1950s to 1970s, young “shade tree mechanics” learned the trade from relatives or friends and by fixing their own cars (or their relatives’ or friends’) and eventually putting their skills to work at the local garage. But broad cultural changes have all but erased auto repair as a hobby or ambition. In the early part of the 21st century, activities like updating their social media profiles, playing video games, texting, and watching videos on the Internet have largely replaced the car in the hearts and minds of American teenagers.

Sixty-seven percent of young people don’t finish college. That statistic might not thrill the parents of America, but it’s not a bad thing for dealerships. It means that many young people might be open to the idea of working as automotive technicians; the job doesn’t necessarily require a college degree. And, in a world of job uncertainty, auto repair remains a job that pretty much cannot be sent overseas.

But auto-repair educators say they’re fighting misconceptions about the profession. Young people think fixing cars is retro, while in fact it’s increasingly high-tech. A laptop and technical knowledge need to be part of the auto technician’s tools along with the wrench set.

Ever more sophisticated automotive technology and tools help the lean national workforce of technicians to be more productive than ever before. That’s a good thing, because thousands of automotive technician jobs remain unfilled as the increasingly difficult quest for qualified automotive service technicians goes on. The ones who are working must work smarter to keep up with the demand for their services.

Why so many unfilled job openings? Is it the pay? In 2012, the Bureau of Labor Statistics found that 201,910 dealership automotive technicians worked for median annual wages of $43,250, slightly higher than the $42,693 per capita income for Americans the same year.
Between the lowest-paid and highest-paid automotive technicians, a yawning pay differential is evident. NADA’s 2013 Dealership Workforce Study found that nationally, the lower 25 percent of master technicians (A-techs) earned $47,617, while the top 10 percent earned $92,604. This upper tier of master technicians, who are approaching retirement age, can earn up to $120,000 in more affluent parts of the country.

But it’s the lowest part of the pay range that may help explain the challenge in attracting young people to the automotive technician occupation. NADA’s 2013 Workforce Study found that D-techs (hourly lube technicians) grossed only $25,730. Raising that lowest-tier salary might help attract new D-techs to the occupation.

NADA has identified a number of resources for training and developing new automotive technicians. First, let’s look at the leading auto tech training programs sponsored by auto manufacturers.

**SOLUTIONS**

**Manufacturer-Sponsored Programs**

Many automobile manufacturers sponsor technician training programs, some of which lead to college degrees. Most manufacturers work directly with the learning institutions to develop the training and to provide the needed vehicles, components, and training supplies. Following are some manufacturer-sponsored training programs:

**Automotive Service Educational Program (ASEP)** — a two-year associate’s degree program that’s cooperatively run by GM dealerships and selected colleges and universities. ASEP’s curriculum combines automotive technology with a strong academic foundation in math, reading, electronics, and analytical and mechanical skills. GM trains ASEP’s college instructors and monitors their performance. Students are responsible for their own tuition, books, and basic tool set. Colleges that participate in ASEP provide consultation to GM dealerships to help them retain qualified technicians. Visit the website at [https://gmasep.org](https://gmasep.org), or contact ASEP at (800) 828-6860.

**Automotive Student Service Educational Training Program (ASSET)** — a partnership of Ford Motor Company, Ford dealers, Lincoln-Mercury dealers, and community college technical schools. ASSET was launched to develop entry-level service technicians for Ford and Lincoln-Mercury dealerships. The two-year work study program leads to an associate’s degree in automotive technology. You can learn more about ASSET and its graduates at [http://www.newfordtech.com/asset.asp](http://www.newfordtech.com/asset.asp).

**Chrysler Automotive Program (MOPAR CAP)** — The MOPAR® College Automotive Program (MOPAR CAP) is a two-year study/internship program that trains automotive technicians to work at Chrysler Group dealerships nationwide. Automotive colleges and technical schools across the U.S. teach MOPAR CAP students using Chrysler automotive diagnostic processes and repair procedures. Students learn on the latest Chrysler, Jeep®, Dodge, Ram and Fiat® vehicles and diagnostic equipment.

Dealerships can sponsor one or more MOPAR CAP students to fill their need for well-trained, motivated, and loyal technicians. Every MOPAR CAP instructor is a Chrysler-trained, experienced professional. For more information, visit [http://www.moparcap.com/](http://www.moparcap.com/).

**Toyota Technical Education Network (T-TEN)** — a partnership among Toyota, educational leaders, and dealers that offers Toyota-specific training to students who are completing their post-secondary education. Founded in 1986, T-TEN is now offered at 56 vocational and community colleges nationwide.

**UAW-LETC** — UAW-LETC is an official Toyota-Technical Education Network (T-TEN) site at the Clearfield Job Corps Center location in Utah. The Advanced Automotive Training Program launched there in 1978, and has earned National Automotive Technician Education Foundation (NATEF) accreditation in 21 different classes and three different master areas. For more information, Toyota and Lexus dealers can visit [http://www.toyota.com/about/tten/](http://www.toyota.com/about/tten/).
President Obama visited Northern Virginia Community College (NVCC) in Alexandria, Virginia. His purpose: to announce new commitments by the private sector, community colleges, and the National Association of Manufacturers to give 500,000 community college students industry-accepted credentials.

In his remarks that day, President Obama spoke of touring NVCC labs where automotive students worked on advanced vehicles. He noted that their teacher, Ernie Packer, had spent almost three decades at Ford Motor Company. The president also mentioned David Korelitz, a student in the program, who’d been on “the low end of the totem pole” as an apprentice at a dealership. Then Korelitz entered the GM automotive program at NVCC Alexandria, graduated, and was moving up at the dealership where he had been an apprentice a few years before.

The president related that Korelitz had told him that “whatever he ends up doing, the automotive training program here was the spark he needed to get his career started.”

Honda Professional Automotive Career Training (PACT) — a cooperative two-year associate’s degree program. Dealers select PACT candidates from the dealership or from applicants recruited and screened by participating colleges. The dealer and student share PACT costs. During their time in PACT, students return to the dealership every other college term for cooperative work experience. Honda also sponsors an entry-level technician training program and a certificate program. The entry-level program, available through high schools, allows dealers to evaluate and improve the quality of training offered in their communities. The certificate program is a technical program that does not require academic training. Call (310) 783-3561 for more information, or visit http://hondapact.com/.

Another way Honda fosters interest in the technical trades is by taking part in the 4-H youth organization’s mentoring program. Five-day learning experiences are held at a Honda Technical Training site. Teams of two youths and one adult mentor learn metrics, physics, the chemistry of batteries and combustion, and how engines operate. To learn more, visit www.4-h.org.

Community Colleges
With college tuition skyrocketing out of reach for many families, community colleges are booming. Attending a two-year college is a relatively affordable way for a high school graduate to start his or her college education, before going on to a four-year college.

At the same time, community colleges have adapted to the needs of the marketplace. Increasingly, vocational courses have been added to their course catalogs. No doubt that’s because students (many of whom have faced unemployment) have learned through hard experience to take a pragmatic approach to choosing careers and the classes that will take them there.

Check local community colleges’ websites to see whether they offer training for automotive technicians. If so, look into creating paid internships for their students at your dealership. Offer permanent positions to your high-performing interns. See if you can post job openings on college job placement web pages or bulletin boards. You can also ask the source: http://www.nvcc.edu/alexandria/automotive/
automotive instructors to refer their top students to you or to announce your job openings during class.

**High Schools**

Despite all the hype about academic career tracks, some students are interested in automotive technology. But at the same time, they have many opportunities and are pulled in different directions, according to Mike Garblik, professor of automotive technology at Sinclair Community College in Dayton, Ohio. In his *USA Today* article, “Serious shortage of skilled auto mechanics looming,” Chris Woodyard said Garblik urged prospective employers to “go out and actively pursue them at the high schools.”

Garblik follows his own advice, often reaching out to the general student population, always trying to make sure that students interested in information technology careers are aware of how much the auto industry depends on computers. He has another lure: a nearly 100% job placement rate.

The dealer, general manager, and/or service manager could take school principals and guidance counselors to lunch and explain the employment opportunities for service technicians. They should also get involved with the local PTA to provide the opportunity for students who are open to a career in the trades to look into automotive training.

For example, most middle schools and high schools conduct annual Career Days. Since it’s often difficult to find enough parents willing to present on Career Day, schools might be open to your dealership presenting. See when your local high schools (especially vocational high schools) are holding their Career Days, and whether someone from your dealership could come in to make a case for automotive technician training. One of your technicians who is comfortable with public speaking should explain what he does for a living and give a general idea of his annual and prospective earnings. The technician presenter should be sure to highlight the fact that automotive repair is a job that cannot be outsourced.

**Job Corps Automotive and Machine Repair Programs**

Job Corps is America’s oldest, largest, and most comprehensive national residential education and training program for economically disadvantaged youths ages 16 to 24. Established in 1964 and administered by the U.S. Department of Labor, Job Corps has served more than 2.7 million at-risk young people. The organization’s academic and vocational training programs offer students self-paced courses to meet their individual needs.

Job Corps operates as a public-private partnership. The federal government provides facilities and equipment to the organization. Federal agencies and private sector organizations operate Job Corps centers, recruit eligible youths, train students, and place program graduates in jobs. Students receive a mix of services, from basic academic training through important life skills.

The automotive repair technician curriculum is offered at 40 of the 125 Job Corps centers across the U.S. Another nine centers offer collision training programs. Students in the Job Corps program know this training will give them a good shot at success, and they don’t take the opportunity lightly. Most are committed to excelling in their course of study.

Before graduating, many students take ASE tests and earn several ASE certifications. Graduates of the Job Corps automotive curriculum are trained automotive service technicians who are ready to be placed in a job. Call the national Job Corps office at (800) 733-5627 and ask for the contact information for a Job Corps representative in your area who can help place technicians in your dealership. You can also use the following list to locate your closest Job Corps center and find its number on the Internet.

**Nonprofits**

**Automotive Youth Educational Systems (AYES)** — This nonprofit, 501(c)(3) organization connects automotive employers with young people who want to work in the industry. The Leesburg, VA-based organization operates in many settings and at many levels, including national, regional, and state. At the local level, AYES
AYES aims to develop career-ready entry-level automotive technicians and service personnel. The organization accomplishes this by presenting high school automotive technology students with the opportunity and guidance to explore automotive careers. AYES gives them the tools and support to learn and practice the technical and people skills they need for success. The capstone of the AYES model is a 320-
hour workplace internship that a student completes during the summer after his or her junior year. As an intern, the student works alongside a trained mentor, usually an ASE-certified Master Technician. The student prepares for entry-level jobs or advanced studies in automotive technology and earns the age- and rank-appropriate credentials that industry and schools require.

By working with AYES you can help future technicians and mentor them, but participating in AYES isn’t just altruistic: doing so gives you priority access to the technicians of tomorrow. Building a relationship with AYES interns creates the opportunity for them to become your highly skilled employees of the future. You can learn more at www.ayes.org. You can call AYES toll-free at (888) 339-2937, or email the organization at info@ayes.org.

Nonprofits that Offer Certification

Until the 1970s, consumers had no way to distinguish between incompetent and competent auto technicians. In 1972, the independent, nonprofit National Institute for Automotive Service Excellence (ASE) was established to address this issue, and two other organizations followed. Technicians with ASE, I-CAR, or NATEF certification are both knowledgeable and skilled.

ASE — ASE certification is a valuable measure of the knowledge and skills of technicians, and of a repair facility’s commitment to quality. ASE offers 40-plus exams, which are grouped into specialties such as automobile, medium/heavy truck, and collision repair technicians. After passing at least one exam and providing proof of two years of relevant work experience, technicians become ASE-certified. To keep their certification, they must be retested every five years.

I-CAR — Founded in 1979, I-CAR (Inter-Industry Conference on Auto Collision Repair) is an international, not-for-profit training organization. All I-CAR activities and resources focus on helping the collision industry achieve a high level of technical training. To carry out this mission, I-CAR develops and delivers technical training to professionals in all areas of the collision industry—including instructors. I-CAR is widely recognized by OEMs as the training provider for dealer-owned and independent collision repair facilities.

NATEF — In 1983, the independent, non-profit, 501(c) (3) organization National Automotive Technicians Education Foundation (NATEF) was founded to improve the quality of automotive technician training programs at secondary and post-secondary schools nationwide. NATEF examines the structure, resources, and quality of training programs to see if they measure up to industry standards for skills students need to succeed in the industry. NATEF accredits qualifying programs, giving them recognition, credibility, and prestige. Visit www.natef.org for more information.

RECRUIT AND DEVELOP ENTRY-LEVEL TECHNICIANS

There’s no sure-fire formula, of course, for ending the shortage of automotive technicians in the U.S. But you and your dealership should take an active role in recruiting and developing entry-level technicians. Once you establish a good relationship with young people, chances are they will think of your business when they’re looking for work. Try the following approaches:

- Visit your local high school or vocational school and get acquainted with the automotive program instructors.
- If the school is not NATEF-evaluated and ASE-certified, encourage the instructors to pursue certification.
- Become a member of the school’s advisory committee.
- Make part-time employment opportunities available.
- Explain what you expect of entry-level technicians.
- Work with your manufacturer to ensure schools have the necessary equipment and vehicles to train students.
- Develop a rewarding career path for automotive technicians that allows those who acquire more experience and skills to receive raises, promotions, and possibly profit-sharing bonuses.
• Create a graphical representation of the career path for automotive technicians at your dealership, with periodic pay raises, promotions, and other forms of recognition.
• Host occasional open houses at your service facility for school groups and parents. Display the graphical representation of the automotive technician’s career path at your dealership.

CONCLUSION
Finding, training, and retaining good technicians are all serious challenges for most dealers, and this issue may never go away. But many resources are available to help you face this challenge; we’ve listed a few in this guide. Ultimately, though, it’s up to you and your dealership to take an active role in your community and work with your manufacturers to leverage and refine existing training programs. Do that, and make your dealership a place where automotive technicians can enjoy a rewarding career, and you should be able to ensure a fairly steady supply of well-trained automotive service technicians for your dealership for years to come.
ACKNOWLEDGMENT

For providing the information in this guide, NADA gratefully acknowledges:

Robert Atwood
Instructor
NADA-ATD Academy

Alice Jacobson
Manager, Member Publications
NADA University Online