

Since its re-launch in 2011 – following a period of close collaboration between the SOE and IMI (Institute of the Motor Industry) – the irtec technician licensing scheme has enjoyed a considerable resurgence throughout the commercial vehicle industry. But while the advantages of getting technicians irtec-certified – in terms of competence and compliance – have been well publicised in *Transport Engineer*, what hasn't been established until now is irtec's potential for improving workshop efficiency and generating a financial return for those making the investment.

At the IRTE Conference 2013, the IMI presented the results of its study – commissioned by UK Commission for Employment and Skills (UKCES) – into precisely that: the demonstrable returns that dealerships and workshops can expect to achieve by investing in irtec accreditation. Steve Nash (pictured

that there is real economic value behind it.”

So how did IMI go about its investigation? Paul Spear (bottom right), head of the return on investment programme for IMI, stated that quantifying the benefits, specifically of irtec inspection, was a matter of examining not only productivity changes as irtec was implemented in workshops, but also other tangible, but non-financial, benefits. Most important, he said, was understanding the impact on MOT first-time pass rates, which map directly to operators' OCRS (VOSA's Operator Compliance Risk Score) – and hence their ability to complete transport operations safely, unimpeded and on time.

### **DAF's improvement journey**

There are 130 dealers in DAF's truck network and at each, one of the key performance indicators is MOT first-time pass rates. “In 2010, DAF wanted to shift perceptions and behaviours of its service centre technicians, in particular over how vehicle inspections in its workshop have direct implications for the roadworthiness and OCRS of their customers on UK roads,” recalled Spear. “There was an implicit belief at DAF that a focus on OCRS, through a common [irtec] inspection standard, would improve the dealer network's MOT first-time pass rate – and DAF's belief was correct,” he added.

Proving that to be the case involved examining DAF's consolidated network MOT data for 2009, 2010, 2011 and 2012 – comprising around 100,000 MOT test submissions. Spear explained that the trend for 2009 showed an increase in MOT pass rates from around 83.5% in January to about 89% in December, but that 2010 pass rate statistics remained flat, averaging around 89%.

However, the effects of the refocus on customer OCRS in 2010 across the DAF network, through irtec, were very evident in the following year's data. “There was a lift in the network average first-time MOT pass rate from March 2011, which continued through 2011 and 2012,” stated Spear, adding that progress far exceeded expectations had irtec not been implemented.

“By modelling pass rate data for 2009 and 2010, we could project DAF MOT pass rates for 2011 and 2012 assuming incremental growth in pass rate alone,” he said. “And our projection closely resembles a learning curve and illustrates the diminishing returns companies can expect as they pursue only incremental improvements.” But instead the data revealed a statistically significant step change in DAF MOT first-time pass rates from March 2011, well above that predicted. In fact, the expected 2011 pass rate for DAF was 90%, but it actually achieved over 92%. For 2012, the projected rate was 90.5%, but again the dealer network beat that – recording a rate of 93.5%.

Keen to prove this irtec-driven improvement was

# INVEST IN THE BEST

**The Institute of the Motor Industry (IMI) told delegates at the IRTE Conference that the benefits of irtec technician licensing include better MOT first-time pass rates and OCRS.**

**John Challen explains why**

top right), chief executive of IMI – which administrates the irtec scheme – revealed that the organisation focused on the experiences of three major operators – DAF, DSV Commercials, and Morrisons – and told delegates that the results were conclusive and extremely encouraging.

“As the sector skills council for the automotive retail industry, we have a responsibility to promote skills across the whole sector, and we also help to run the irtec assessment centres,” he explained. “[This study] is a wide-ranging piece of work on the return on investment from training and development, which could be described as one of the great imponderables in our industry... If we want people to professionalise, we have to be able to demonstrate

**“As the sector skills council for the automotive retail industry, we have a responsibility to promote skills”**



not a one-off, Spear then turned to DSV Commercials, using its workshop data from January 2010 to December 2012. “From January 2010 to July 2011, DSV Commercials’ MOT first-time pass rate averaged 92%. However, the pass rate in any successive month was unpredictable, varying between 82% and 100%,” he recalled.

Aware of the variance, DSV Commercials not only recruited an experienced workshop manager, but also trialled two technicians on the irtec inspection

**“DSV Commercials generated 220% return on investment from irtec inspection in the first year”**



scheme from May to August 2011. “The feedback from the technicians regarding the learning process in achieving the irtec inspection licence, and the promising changes in [their] performance and perceptions, convinced the dealer principal, Chris Marshall, to ensure that all his 16 technicians achieved irtec inspection accreditation,” explained Spear.

**MOT transformation**

This process started in November 2011 and ran until October 2012 – a period marked by a transformation in MOT first-time pass rates achieved by DSV Commercials. Indeed, from January to December 2012, DSV Commercials achieved 100% MOT first-time pass rates in eight out of the 12 months. According to Spear, Marshall regarded the achievement as “a paradigm shift in business performance”. And quoting him directly, he said: “irtec has allowed DSV to take control of first-time pass rates... We’ve achieved an eight-fold increase in achieving 100% MOT pass rate compared to 12 months ago.”

So that’s success with two out of two. Spear then cited comments from Morrisons’ technicians, which shed light on how irtec makes such a difference. According to Spear, one said: “irtec inspection showed me a different and shorter routine, which is very thorough. I still use it now and I am much quicker.” And another added: “If trucks are more reliable and not breaking down, it gives the heavy vehicle sector a better profile in the public’s eyes.”

For Spear, there were several factors behind the clear return on investment arising from irtec licensing technicians. “In these examples, the inspection processes undertaken by each technician became more standardised, with less variability in time taken,” he observed. “This also meant [the inspection] became more accurate so not only were there overall time savings, but also fewer returns for rework. All this contributed to a 10% increase in workshop utilisation, and while that is not all due to irtec, we have isolated the effect of the irtec inspection accreditation process to 4.5%.”

Morrisons, DAF Trucks and DSV Commercials demonstrate clearly that a change in technician culture can be achieved through focusing on OCRS, but, importantly, underpinning that with irtec inspection accreditation for the technicians involved, he concluded.

“DSV Commercials generated 220% return on investment from irtec inspection in the first year, and achieved increases in MOT first-time pass rates [that led to it] winning new business. We suggest a similar organisation could achieve 200% return on investment. We believe that the business benefits gained by the organisations in this study were the result of their technicians achieving irtec inspection accreditation.” **TE**