

Abstract

With continual advancements in vehicle technology and electrification the automotive industry requires a highly-skilled technician labor force. There is an existing dialogue throughout the automotive industry of a technician shortage and an uninspiring median salary for automotive technicians may be, in part, encouraging skilled workers to bypass the industry for perceived higher paying jobs requiring a similar skill-set. In contrast, an industry dialogue exists that suggests technicians can earn annual salaries of over \$100,000. This study seeks to address a gap in the literature of how technician certification relates to earned income. A regression analysis will be utilized to regress earned income on number of certifications held. Do highly-certified technicians earn more? The answer could be of tremendous value to the industry and to stakeholders responsible for preparing the future automotive workforce.

Purpose

The purpose of this study was to determine the extent to which automotive certifications relate to earned income for those employed as automotive technicians in new car dealerships, independent repair shops, and maintenance facilities.

Research Questions

- RQ1: To what extent does salary differ between automotive maintenance, independent, and franchise dealership technicians?
- RQ2: To what extent, if any, does ASE certification relate to technician salary?
- RQ3: To what extent, if any, does the number of ASE certifications relate to technician salary?
- RQ4: To what extent, if any, does the number of ASE advanced certifications relate to technician salary?

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Theoretical Framework

Certifications carry value for those who hold them based on multiple theories. Specific to this research are two of the many theories suggested by Bills (2003): Human capital theory and screening theory. Human capital theory suggests that certification and the preparation required to pass certification exams will result in skills and knowledge that are of value to employers (Bills, 2003). Bills suggests screening theory is related to human capital theory in that employers screen prospective employees based on judgement and a prospect's credentials, and job seekers signal employers based on credentials and potential productivity. Those who hold certifications could be more valuable, affording the certification holder with advantages over the uncertified (Albert, 2017; Bills, 2003).

Additionally, because some certifications are considered compulsory, the theory of occupational closure, also known as a credentialist theory, broadens the research framework. Occupational closure suggests that a required license or certification creates a closed occupation that results in higher pay for those who are a part of the closed group (Renski, 2018).

Methods

Study to include the technician population in New York Metro Area: 400 new car dealerships and over 3,000 registered repair shops and maintenance facilities.

Distribution of the survey will be aided by local automotive industry associations including: New York State Automobile Dealers Association (NYSADA), Greater New York Automobile Dealers Association (GNYADA)

The instrument will collect the following data:

- current salary
- type of employer
- which ASE certifications held
- any additional manufacturer's certifications or licenses held, as well as the certifying body
- place of employment
- salary or flat-rate pay basis

Dependent Variable : Cost of Living Adjusted (COLA) Salary

Independent Variables: type of employer, number of ASE (or comparable) certifications, and the number of advanced-level ASE certifications (or comparable).

Preliminary Findings

- According to Adler (2018), half of the entry-level technicians hired by independent repair facilities and new car dealerships left the field within the first two years of employment. Dealerships are concerned that technicians are leaving the field completely (Adler, 2018).
- There is a wage return to occupational credentials and licenses and in some cases as much as 14-25% for certification holders. However, more research on returns for individual occupations is required (Albert, 2017)
- The National Institute for Automotive Service Excellence (ASE) certification program may be creating its own form of closure with test fees of \$696 required to become ASE Master Certified (ASE, 2023).

References

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