

RO Analysis

Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 3,507	÷ 52.15	= 67.25	FRH Average
Maintenance	\$ 3,034	÷ 30.80	= 98.51	FRH Average
Repair	\$ 8,948	÷ 73.00	= 122.57	FRH Average
Totals	\$ 15,489	÷ 155.95	= 99.32	Customer ELR
Target Labor Rate			126.53	Per FRH
Total ROs	100	Difference	-27.21	Per FRH

Cost of Labor

Total Cost of Labor	2976.59	÷ Total Sales	= 19.22%	Percent Cost of Sales
Total Cost of Labor	2976.59	÷ Total FRHs	= 19.09	Cost per FRH

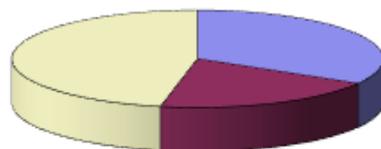
Repair Order Measurements

Total Labor Sales	15,488.62	÷ Total ROs	= 154.89	Avg Labor per RO
Total FRHs	155.95	÷ Total ROs	= 1.56	Avg FRH's per RO
Menu Sales		÷ Total ROs	=	Percent Menu Sales
Competitive FRHs	52.15	÷ Total FRHs	= 33.44%	Percent Competitive
Maintenance FRHs	30.80	÷ Total FRHs	= 19.75%	Percent Maintenance
Repair FRH	73.00	÷ Total FRHs	= 46.81%	Percent Repair
One item ROs	65	÷ Total ROs	= 65.00%	Percent One Item RO

Model Year Analysis

2025	2024	2023	2022	2021	2020	Older	Total
0	0	1	6	5	7	81	100
0.00%	0.00%	1.00%	6.00%	5.00%	7.00%	81.00%	

Labor Mix



■ Percent Competitive ■ Percent Maintenance ■ Percent Repair

- Timeline: 8/30/2024 to 9/12/2024.
 - 33% - Competitive, 20%-Maintenance and 47%- Repair Mix. 57% combined (Competitive and Maintenance) below 60% NADA guide line.
 - Very few numbers of RO had up-sell with air filter, cabin air filter and other items.
 - 81% of vehicles are 2019 and older.
 - 36% of vehicles had 100k miles and more.
 - Need to improve low average FRH's per RO.
 - 65% of one item ROs which is high.
 - The Maintenance mix 20% need to go up.
 - Other makes and models counted 5% only outside of Toyota and Lexus
 - A few ROs had some questionable mileage like: 100000, 194000.
 - Need to review military discount list.
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SWOT Analysis

STRENGTHS

1. Great reputation in the community.
2. Stable senior service advisors.
3. Ample space to grow (26 stalls available).
4. Modern facility with a large waiting lounge for customers.
5. Dedicated staff who care about customers.
6. Well-established process for customer write-ups.
7. Willingness to learn from service staff.
8. In-house apprenticeship program to develop new technicians.

WEAKNESSES

1. Inconsistent daily appointment scheduling.
2. Lack of experienced technicians for diagnostics and advanced repairs.
3. Express lube advisors need more training.
4. Difficulty in making service appointments over the phone due to unanswered calls.
5. Hit or miss communication with service customers while servicing their vehicles.
6. Attracting career-minded technicians.
7. Parts availability.
8. Comeback repairs.
9. Inconsistent Multi-Point Inspection (MPI) presentations.
10. Ineffective discount management.

OPPORTUNITIES

1. Opportunity to conduct regular local mystery shopping.
2. Leverage our facility and guest experience via testimonial advertising.
3. Review the pay plans for advisors and technicians.
4. Communicate to customers that our prices are not higher than local repair shops.
5. Demonstrate why we use OEM parts for most of our repairs.
6. Emphasize our ability to quickly source parts for repairs.
7. Highlight that our technicians receive updated factory training for both current and future vehicles.

THREATS

1. Customer perception that our service is more expensive compared to independent shops.
2. Decreasing interest from entry-level technicians.
3. The long training period for service advisors.
4. Independent shops offering lower prices by using non-OEM parts.
5. The transition to EVs requires service departments to invest in new lifts and specialized tools.
6. The need to build stronger personal relationships with customers.
7. Constant movement of customers due to the large military base.
8. More transparency with service pricing.
9. The need for a quicker check-in/out process, potentially through online systems.

Objective

- Set a goal for service to increase the utilization of technicians' hours.
- Develop some specific training process for service advisors.
- Improve Effective Labor Rate.
- Increase Customer Pay RO numbers.
- Better team work with service and parts (collaboration).
- Develop better online and phone appointment process
- Train the advisors for listening and selling skills.
- Use our rental vehicles more for upsold ROs.
- Maximize facility utilization.
- Utilize picture and video for upsell.

Strategies

- Sit down monthly review with the service manager and advisors to go over objectives and results.
- Strive to work on the following month strategy early to accomplish not rush.
- Develop some word track to help receptionist and advisors.
- Promote regularly our Express Maintenance service with all advertising sources.
- Develop stories for why someone should service here.
- Prepare for EV service equipment.
- Promote "Transparency and Easy of servicing here".
- Increase sales gross per RO by consistently asking for the sale.

Tactics

- Share the customers' testimonies with positive experiences.
- Service introduction for everyone to schedule the first appointment.
- Increase Toyota Maintenance Package sale with POS display around the service department and the staffs are trained on the product.
- Come up with some VIP customer services like: pick up and drop off service, car wash voucher to local carwash or free rental vehicles if overnight service is needed.
- Personalized MPI presentation.
- Develop a loyalty program.

Action Plan

1. Display for non-dealer competitive pricing chart. Ser Mgr. 45 days.
2. Review the service hours to adjust if it is necessary. Ser Mgr & GM. 30 days.
3. Must review service advisor and technician pay plan. Ser Mgr & GM. 45 days.
4. Develop a plan to promote Express Service. Ser Mgr & GM. 45 days.
5. Contact the local high school car club to start a relationship for the future technician. Ser Mgr & GM. 60 days
6. Starting working on who can be our shop foreman from our technician staff. Ser Mgr & GM. 180 days.
7. Monitor discount trend per service advisor and coach. Ser Mgr. 60 days.
8. Plan for increasing shop hours for the afternoon between 2 to 5pm. Ser Mgr & GM. 60 days.

Synopsis

Our service department does a tremendous job servicing our customers daily. However, many times we get so busy that we operate without a clear plan or foresight, just trying to get through the day. This is especially true when we are understaffed due to someone calling in sick or being unavailable for other reasons. We need to develop a master plan built from everyone's thoughts and ideas. Once that's complete, we can begin refining our processes to better fit our organization and the customers in our area.

The most important thing to remember is that building relationships with both our team members and customers is key to creating the best service experience. I know that everyone here cares about their work and the customers, but they need more training and guidance to achieve better results. We all have to be dedicated learners, committing our time, money, and effort to training and process improvement.

We will use our DMS and other systems to measure our current situation and metrics. Then, we can set goals based on where we are now and where we want to be. Accountability is crucial—our numbers must show that we are improving and heading in the right direction. We will celebrate small wins and build momentum from them.

I'm glad I participated in this class, as it has opened my eyes to understanding service department operations through different metrics and numbers. This will definitely help me become a better operator in this business. It has been a fun and exciting experience, thanks to the outstanding instructors. I greatly appreciate their commitment and passion.

