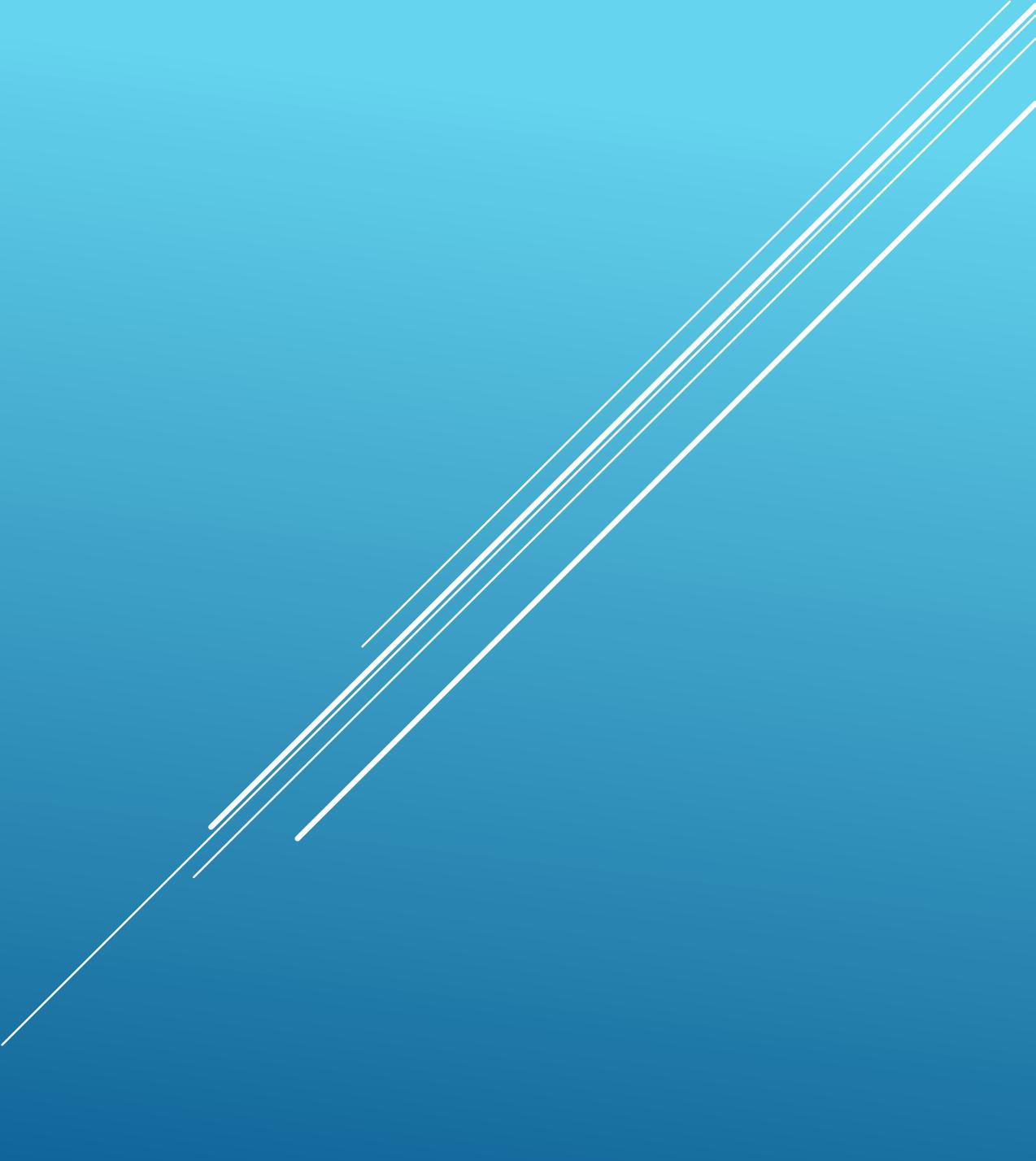
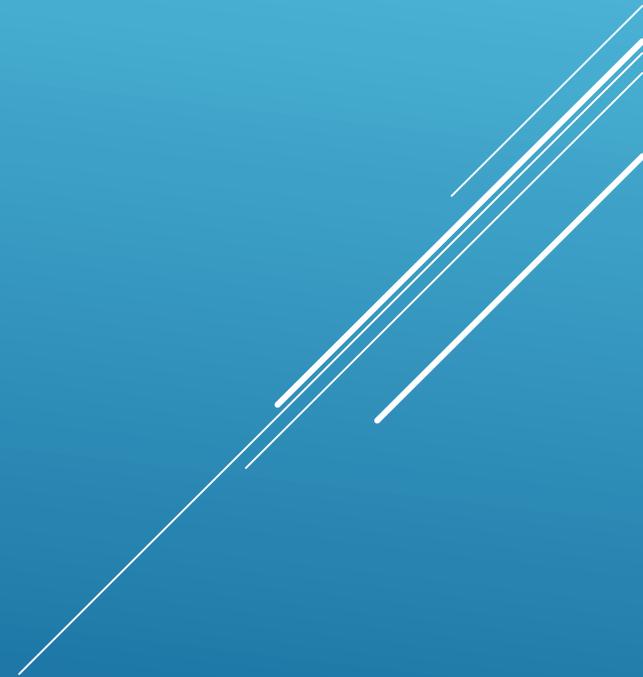
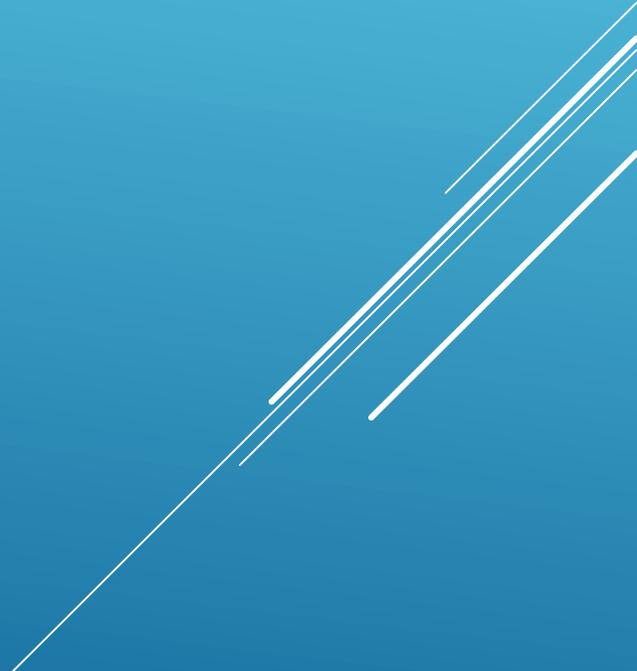
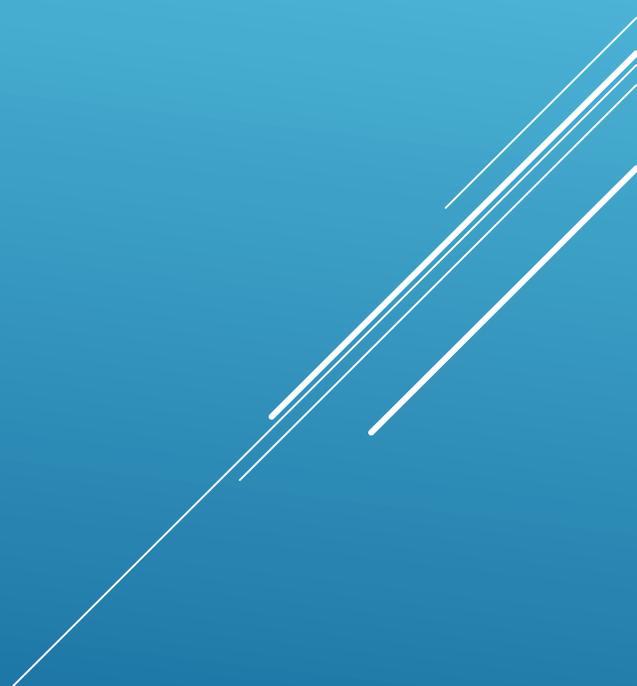


NADA FIXED OPS
DAHL FORD
CLASS 350-33
DARBY MCINTYRE

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- QUARTERLY DIRECT MAIL CAMPAIGNS
 - WEEKLY FACEBOOK SPECIALS
 - USE NAKED LIME AGENCY FOR EMAIL BLASTS
 - WEBSITE COUPONS UPDATED MONTHLY
- 



- 321 MARKETING - USE A DIRECT MAIL PIECE BY ZIP CODE TO ATTRACT NOT JUST OUR OWN GUESTS BUT NEW GUESTS TO OUR SERVICE DEPARTMENT
 - NAKED LIME – USE A EMAIL BLAST TO ACQUIRE NEW GUESTS.
- 

FACILITY



- We are hiring QL techs and additional B-C Techs to handle work flow and fully utilize the shop.
 - Have all parts pre-loaded for the technician.
 - Perform the Multi-point inspection before any repairs are done to maximize time while vehicle is in the shop.
 - Load the shop stalls before the techs start so they can start working on the vehicles right away.
- 
- A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, set against the blue background.

FACILITY POTENTIAL	
Number of Bays	15
	x
Number of Days	25
	x
Number of Hours	8
	x
Effective Labor Rate	100.84
	<i>equals</i>
FACILITY POTENTIAL	\$ 302,520

FACILITY UTILIZATION	
Total Labor Sales	\$ 179,408
	÷
Facility Potential	\$ 302,520
	<i>equals</i>
FACILITY UTILIZATION	59.30%



- Load the bays before technician starts for the day. Have it all ready for them.
 - Hire a parts runner to deliver parts to the technicians.
 - Dispatch the job to the correct technician.
 - Organize, clean, and label the tool room. Make sure all tools have a bin location on a spreadsheet accessible to the technician.
 - Maintain and build tech moral.
- 
- A decorative graphic consisting of several parallel white lines of varying thicknesses, slanted diagonally from the bottom right towards the top right, set against a blue background.

NADA ACTUAL SERVICE ANALYSIS

page B-1

Performance

	<i>Labor Sales / Month</i>		<i>Hourly Labor Rate</i>		<i>Hours Billed</i>
Customer Car*	\$ 78,183	÷	114.00	=	685.8
Customer Truck*	\$ -	÷		=	0.00
Customer Other*	\$ -	÷		=	0.00
Warranty	\$ 47,316	÷	105.74	=	447.5
Internal	\$ 53,909	÷	114.00	=	472.9
New Vehicle Prep	\$ -	÷		=	0.00
Total	\$ 179,408				1606.2

POTENTIAL

$$\frac{\$ 179,408}{\text{Total labor sales for month}} \div \frac{1606.18}{\text{Total hours billed}} = \frac{\$ 111.70}{\text{Effective Labor Rate}}$$

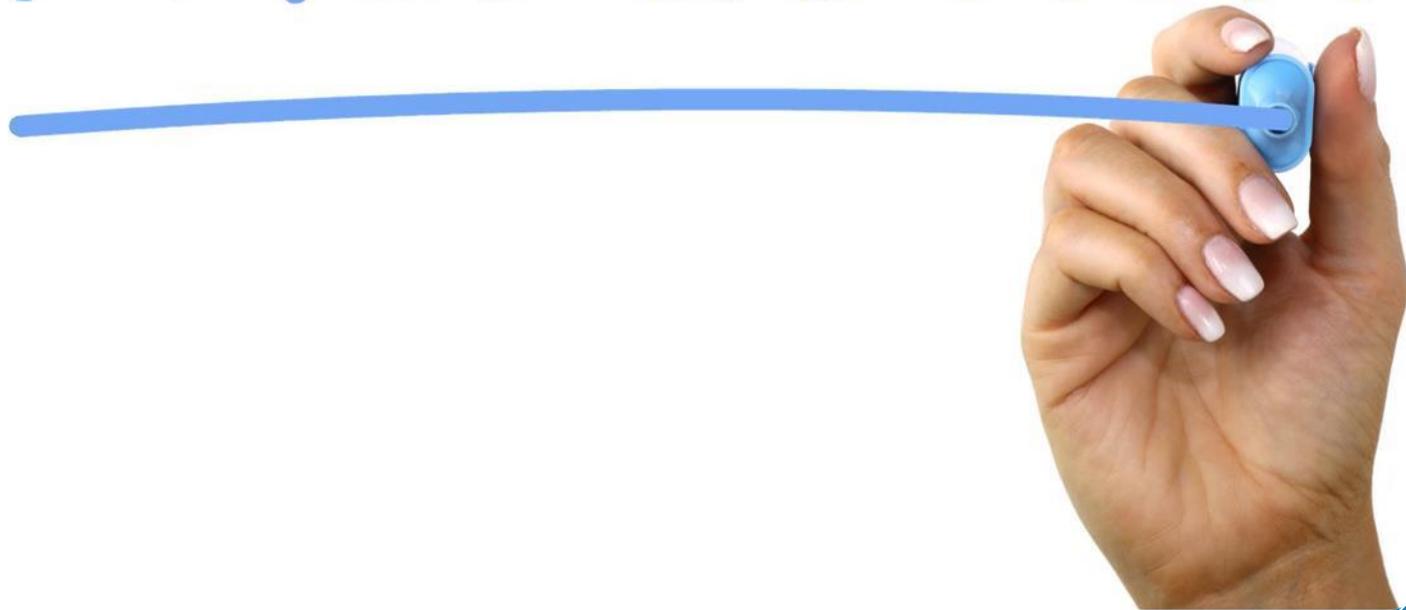
$$\frac{11.00}{\text{\# Service mechanical technicians}} \times \frac{8}{\text{\# Hours/Day}} \times \frac{24}{\text{Working Days/Month}} = \frac{2,112.0}{\text{Clock Hour Avail}}$$

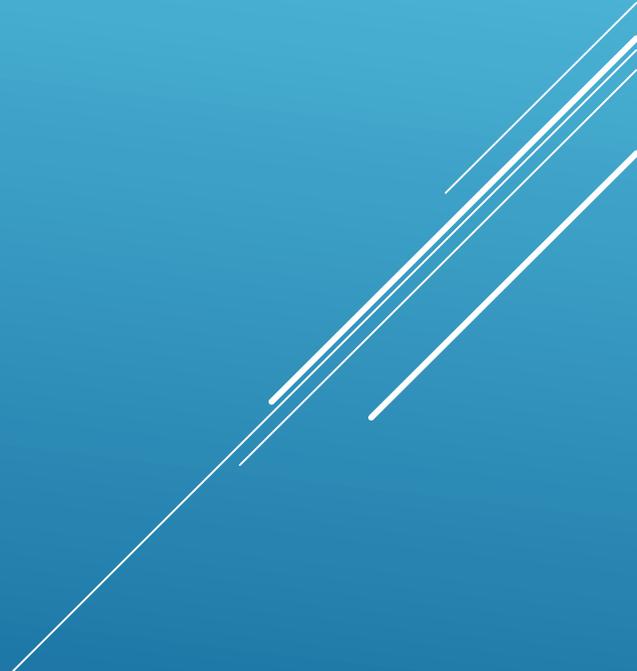
$$\frac{2,112.0}{\text{Clock Hours Available}} \times \frac{\$ 111.70}{\text{Effective Labor Rate}} = \frac{\$ 235,908}{\text{Labor sales potential}}$$

How proficient are your technicians ?

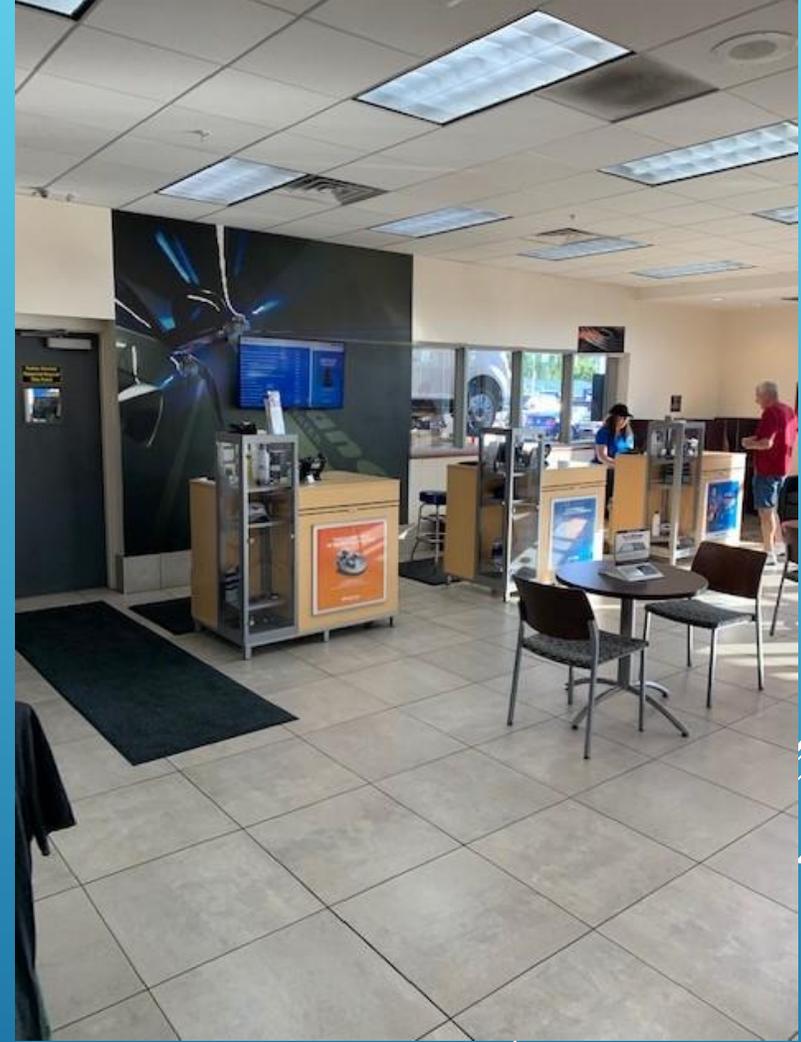
$$\frac{2,154.3}{\text{Hours Produced}} \div \frac{2,112.00}{\text{Hours Available}} = \frac{102.00\%}{\text{Tech Proficiency}}$$

PRODUCTION



- HAD FILE BUCKETS INSTALLED BY SHOP ENTRANCE DOOR TO PUT ALL OF THE TECHS RO'S IN SO THEY KNOW THEIR WORK LOAD FOR THE DAY. THEY NO LONGER NEED TO GO SEE THE ADVISOR FOR THE NEXT JOB, THEY CAN JUST GO THEIR BOX TO GET THE NEXT JOB.
 - MOVING THE QL DESKS CLOSER TO THE SERVICE DRIVE WHERE MOST OF THE TRAFFIC IS AND MOVING THE MAIN SHOP ADVISOR DESKS CLOSER TO THE SHOP WHERE THE TECHS ARE.
- 







We bill out our hourly Quick Lane technicians to the repair shop so our gross% of sales is always lower – Considering entering tech numbers for each one instead of one generic number to track better. None of the techs are on any bonus. Either they are hourly or on Flat Rate.

The image features a solid blue background. In the bottom right corner, there are several white, parallel diagonal lines that create a sense of motion or a modern design element.

Service Department Sales And Gross (Labor Only)

page A-3

Category	Sales	Gross	Gross as % of Sales	%Sales Contribution
Repair Shop	\$ 78,183	\$ 50,194	64.20%	43.58%
			0%	0.00%
			0%	0.00%
Warranty	\$ 47,316	\$ 37,407	79.06%	26.37%
			0%	0.00%
Internal	\$ 53,909	\$ 40,375	74.89%	30.05%
			0%	0.00%
Adj. Cost Of Labor		\$ (2,625)	0%	0.00%
Total	\$ 179,408	\$ 125,351	69.87%	100.00%

CHANGES IN EXPENSE STRUCTURE



We currently are not selling all available hours because our techs work hours don't match open hours. Going forward we will monitor weekly to assure techs are utilizing the time that they are here to maximize profits.

Expense Category	Dollar Amount	% of Gross	Profile
Department Gross	\$ 125,351		
Variable Expense		0.00%	
Selling Expense	\$ 72,244	57.63%	
Personnel Expense		0.00%	
Semi-Fixed Expense		0.00%	
Fixed Expense	\$ 102,898	82.09%	
Unallocated Expense		0.00%	
Dealer's Salary		0.00%	
Total Expenses	\$ 175,142	139.72%	
Net Profit	\$ (49,791)	-39.72%	

Clear Form

The Picture

Customer Pay Gross Profit %	64.20%
Total Service Dept. G.P. %	69.87%
Parts / Labor Ratio (Cust. Pay Only)	1.27
Total Service Dept. Expenses	\$ 175,142

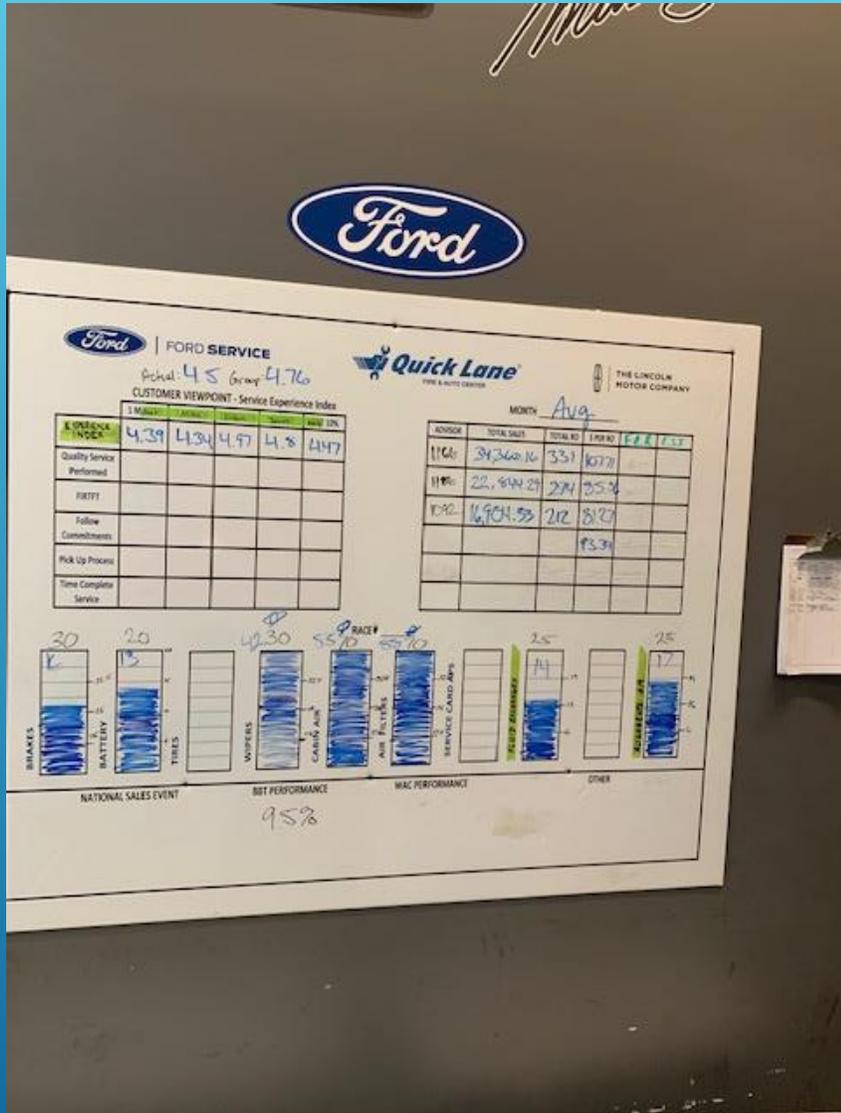


PAY PLANS



- We are going to be looking into adding Proficiency into tech pay plans to make sure they maximize their time while they are here.
 - We are also looking at paying managers off of selling gross instead of gross to help control expenses.
- 





We have added a whiteboard showing goals for the month. We track numbers daily and conduct weekly huddles right by this board to discuss goals.

TRAINING

The word "TRAINING" is displayed in large, 3D, colorful letters. Each letter is held by a small, white, cartoonish character with a round head and thin limbs. The characters are standing on a white horizontal line. The letters are colored as follows: T (red), R (orange), A (yellow), I (light green), N (green), N (light green), I (yellow), N (orange), G (red). The background is a solid blue color with some white diagonal lines on the right side.

Showing 1-10 of 13 records

Warranty Code	Certification Title	Min # to be Trained	Actual # Trained	Shop Competency Status
31	Gasoline Engine Performance - 31	3	5	Competent
32	Gasoline Engine Repair - 32	3	6	Competent
33	Steering and Suspension - 33	3	5	Competent
34	Electrical Systems - 34	4	7	Competent
35	Climate Control - 35	4	5	Competent
36	Manual Transmission and Drivetrain - 36	2	2	Competent
37	Automatic Transmission - 37	3	1	Not Competent Deferred
38	Brakes - 38	3	5	Competent
39	Electronic Systems - 39	2	4	Competent
51	Diesel Engine Performance - 51	1	2	Competent

Showing 1-10 of 13 records

We currently are shop competent but we need 2 more transmission techs trained and ready to go by the end of the year to keep our shop competency.



SPECIAL TOOLS



THIS IS NOT
OURS.....



HERE IS OURS

Our tool room needs a lot of work, cleaning and organizing. Ours bins are labeled and we do have a spreadsheet on techs computers. It is outdated and needs to be updated. Parts manager is working on updating the spreadsheet and organizing the tools.

100 REPAIR ORDER ANALYSIS



Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 2,433	40.80	59.64	FRH Average
Maintenance	\$ 915	10.40	88.00	FRH Average
Repair	\$ 7,478	67.70	110.45	FRH Average
Totals	\$ 10,826	118.90	91.05	Customer ELR
		Target Labor Rate		Per FRH
Total Ro's in Sample	100	Difference	91.05	Per FRH

Cost of Labor

Total Cost of Labor	2548.45	Total Sales	23.54%	Percent Cost of Sales
Total Cost of Labor	2548.45	Total FRHs	21.43	Cost per FRH

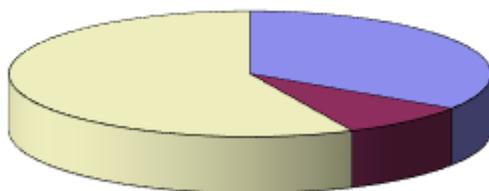
Repair Order Measurements

Total Labor Sales	10,826.32	Total ROs	108.26	Avg Labor per RO
Total FRHs	118.90	Total ROs	1.19	Avg FRH's per RO
Menu Sales		Total ROs		Percent Menu Sales
Competitive FRHs	40.80	Total FRHs	34.31%	Percent Competitive
Maintenance FRHs	10.40	Total FRHs	8.75%	Percent Maintenance
Repair FRH	67.70	Total FRHs	56.94%	Percent Repair
One item ROs	50	Total ROs	50.00%	Percent One Item RO

Model Year Analysis

2020	2019	2018	2017	2016	2015	Older	Total
0	6	2	10	9	11	62	100
0.00%	6.00%	2.00%	10.00%	9.00%	11.00%	62.00%	

Labor Mix

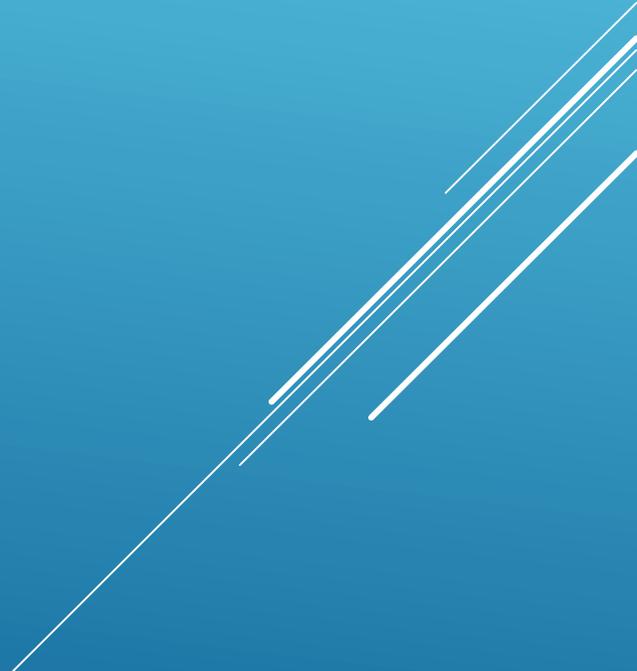


■ Percent Competitive ■ Percent Maintenance □ Percent Repair

Definitely need to work on the 1 line RO's. Way to many of those. I was surprised to see that Repair was our largest mix as I thought competitive would have been. The model year analysis surprised me as well as 2014 and older are our biggest customers coming in to our door. With that said, there is a ton of missed opportunity with aged vehicle and one line Ro's.



STRENGTHS

- The dealership is Family Oriented and that shows in our community.
 - We have a leadership team that is understanding.
 - When someone needs help or is sick, everyone comes together “OneDahl”
 - Employees have passion for what they do here.
 - Leadership has improved 10 fold creating a better work place.
 - We have Core values.
 - We have proper training
 - State of the Art facility
 - Many years of experienced technicians
- 

WEAKNESSES

- Not enough staff to keep up.
 - Some employees lack drive which puts more pressure on others
 - Communication
 - Certain departments don't care enough to realize how their actions affect the entire company.
 - Toxic Attitudes
 - Accountability of techs because we need them.
- 

OPPORTUNITIES

- Repair Dahl name to previous stature
 - Gain more fleet service work
 - Dealership events for team members
 - Buying more brands and expanding
 - Company owners should show more face in stores.
 - Get more techs.
 - Install pricing board in Quick Lane and service write up area.
 - Create a shop foreman position.
- 

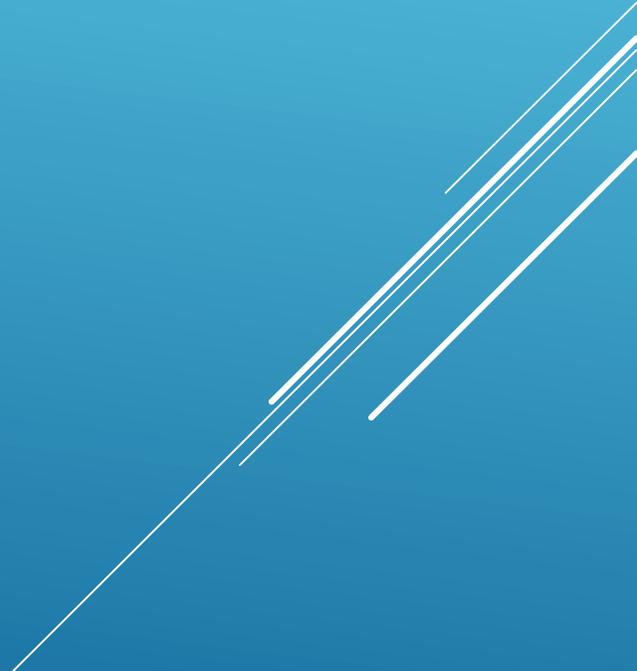
THREATS

- We have a shortage of techs.
 - There is a lot of independent shops in the area.
 - Upset customers due to slow Quick Lane.
 - Surveys will direct / Shift our priorities and focus on numbers instead of the quality of work.
 - Advisors don't follow processes which affects our customers coming back.
 - Phones don't stop ringing and not enough help to answer them.
- 

OBJECTIVES

- (1) Hire more staff to keep up with work flow
 - (2) Improve sense of urgency with techs that are paid hourly.
 - (3) Improve technician proficiency
 - (4) Decrease one line repair orders.
 - (5) Increase amount of techs working on Saturdays
- 

STRATEGIES

- (1) WORK WITH HR
 - (2) CHANGE PAY PLANS TO INCREASE PRODUCTIVITY
 - (3) INCLUDE PROFICIENCY BONUS IN FRT PAY PLANS
 - (4) INCREASE UPSELL GOALS
 - (5) INCREASE FROM 1 TO 2 TECHS ON A SATURDAY
- 

TACTICS

- (1) HAVE HR UTILIZE PROGRAMS TO GET MORE TECHS TO OUR STORE. UP THE REFERAL IF MAIN SHOP TECH IS HIRED. VISIT WITH VOCATIONAL SCHOOLS AUTO TECH PROGRAMS.
- (2) IMPLEMENT A TIER TYPE PAY PLAN BASED ON QL TECHS TEAM PROFICIENCY – TOTAL NUMBER OF HOURS FLAGGED VS. HOURS CLOCKED.
- (3) IMPLEMENT LOADING SHOP AT NIGHT, HIRE PARTS RUNNER, INSTALL RO BOXES (ALREADY IMPLEMENTED AFTER CLASS) SO THEY DON'T HAVE TO WAIT FOR ADIVOR.
- (4) UPDATE CURRANT GOALS FOR THE QL UP 25%, THIS WILL DECREASE ONE LINE RO'S IF THEY HAVE A HIGHER GOAL AND GET TO THAT LEVEL.
- (5) RIGHT NOW IT IS ONE TECH AND ONE ADVISOR (TEAMS) WE WILL ADD ANOTHER TECH SO 2 TEAMS CAN RUN EVEN IF THERE IS ONLY 1 TEAM ADVISOR.

ACTION PLAN

TASK	BY WHOM	COMPLETION DATE
• (1) HIRE MORE STAFF	SM/HR	December 30, 2019
• (2) CHANGE QL TECH PAY PLAN	SM	November 1 st , 2019
• (3) HIRE PARTS RUNNER	PM	November 1 st , 2019
• (3) LOAD BAYS WITH CARS	SM	SEPTEMBER 30 TH , 2019
• (4) UPDATE GOALS IN QL	QLM	SEPTEMBER 1 ST , 2019
• (5) INCREASE TECHS ON SAT	SM	DECEMBER 30 TH , 2019

SYNOPSIS

As I look through all of the comments from the SWOT, I realize we have a lot of opportunities. Addressing the major ones will improve overall team moral and communication with them as well. Many of the things that need to be corrected are achievable.

One of the biggest issue we have that will correct our numbers is getting more technicians in our shop. Our shop is not fully utilized due to the lack of technicians. Right now we are about 4 techs short. We are aggressively working with HR to get these spots filled with B and C techs. Adding more techs to work on Saturdays will also help our work flow and bottom dollar.

Changing some pay plans will definitely help with the Quick lane techs and main shop techs proficiency. Quick lane technicians have no incentive right now to be proficient. Adding or incorporating a tier plan will keep them motivated and produce more income. The main shop tech are pretty proficient but they also have room for improvement. They should all be at 120% or above and only a couple of them achieve this on a regular basis.

With the above changes, I look forward to a prosperous facility and a happy team!!