

## Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 5,573	÷ 44.60	= 124.97	FRH Average
Maintenance	\$ 23,471	÷ 175.00	= 134.12	FRH Average
Repair	\$ 13,448	÷ 94.80	= 141.86	FRH Average
Totals	\$ 42,493	÷ 314.40	= 135.15	Customer ELR
			Target Labor Rate	130.00 Per FRH
Total Ro's in Sample	94		Difference	5.15 Per FRH

### Cost of Labor

Total Cost of Labor	6302.00	÷ Total Sales	= 14.83%	Percent Cost of Sales
Total Cost of Labor	6302.00	÷ Total FRHs	= 20.04	Cost per FRH

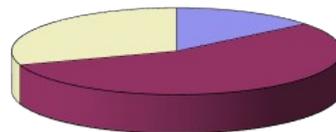
### Repair Order Measurements

Total Labor Sales	42,492.51	÷ Total ROs	= 452.05	Avg Labor per RO
Total FRHs	314.40	÷ Total ROs	= 3.34	Avg FRH's per RO
Menu Sales		÷ Total ROs	=	Percent Menu Sales
Competitive FRHs	44.60	÷ Total FRHs	= 14.19%	Percent Competitive
Maintenance FRHs	175.00	÷ Total FRHs	= 55.66%	Percent Maintenance
Repair FRH	94.80	÷ Total FRHs	= 30.15%	Percent Repair
One item ROs	49	÷ Total ROs	= 52.13%	Percent One Item RO

### Model Year Analysis

2022	2021	2020	2019	2018	2017	Older	Total
0	0	2	5	8	11	68	94
0.00%	0.00%	2.13%	5.32%	8.51%	11.70%	72.34%	

**Labor Mix**



■ Percent Competitive   
 ■ Percent Maintenance   
 ■ Percent Repair

### Qualitative Analysis – Strengths

1. We seem to have a growing business with a lot of returning customers.
2. We have a staff of 10 Mercedes-Benz Technicians with some experience. The more they learn the more they can do.
3. We have started a BDC to help handle our shop loading and to plan for more growth.
4. The sales department continues to sell more and more vehicles, thus giving us a lot of used vehicles to certify in the service department.
5. We have a Shop Foreman and a Lead Technician leading the service department. Overseeing the technicians with training and knowledge and helping push production hours.

### Qualitative Analysis – Weaknesses

1. We have a lot of technicians with very little experience.
2. We need more stock in the parts department.
3. We sell a lot of 1 line repair orders.
4. We don't follow up on customer declined repairs.
5. We need to more evenly distribute repair orders to the technicians.
6. Lead Technician needs to be more involved in the day-to-day workings of the service department.
7. Technicians need more praise for "a job well done" to help keep morale up.
8. Technicians have to wait too long for approvals on repair orders.

### Qualitative Analysis - Opportunities

1. Fast expanding population in our area.
2. Advertise for more business in surrounding cities.
3. Offer aftermarket part options to retain more customers.
4. Offer more flexible hours on Saturdays.
5. Promote our service department more to local colleges and high schools.

### Qualitative Analysis - Threats

1. We have a lot of independent repair shops in our area that would like to have all the business, so we really have to be competitive.
2. We really need to learn and focus on our customer's wants and needs and strive to keep them from defecting.
3. Inability to hire employees.
4. Less and less service work.

## Objectives

1. Reduce 1 line repair orders.
2. Collect all shop charges and stop discounts.
3. Improve the amount of daily repair orders written.
4. Improve work environment for all employees.
5. Improve the service departments bottom line.

## Strategies

1. Improve on hours per repair order.
2. Don't allow service advisors to remove shop charges or provide discounts without Service Manager approval.
3. Hire a BDC employee to help with shop loading.
4. Improve communication and co-operation between all departments in the dealership.
5. Set up weekly meetings with service department employees.
6. Increase advertising in underperforming areas.

## Tactics

1. Check customer decline repairs daily.
2. Service Manager approves all discounts.
3. Promote specials on Facebook, Google, and dealership home page.
4. Have weekly meetings with all of the service department members.
5. Take special care of every customer.
6. Make sure that the service department is always clean and presentable.
7. Always stay in touch with our employees by having an opendoor policy and visiting with them in their areas.

## Action Plan

<u>Task</u>	<u>By Whom</u>	<u>Completion Date</u>
Improve hours per RO	Service Advisors	AUG. 1
Monitoring shop charges/ discounts	Service Manager	Daily
Hiring BDC personnel	Service Manager	MAY 1
Improve bottom line	Service Manager	MAY 1
Meetings to improve communication	Service Manager/ Shop Foreman	MAY 1
Meeting to discuss monthly goals and progress	Service Manager/ Shop Foreman	May 1
Advertisement for service	GM/Service Manager	May 1

## Synopsis

Covid-19 has and is going to have a dramatic effect on dealers nationwide. It's very hard to find employees willing to work and stay with you for any length of time. We hope with more gross profit that we will be able to increase our fixed absorption percentage. Adding weekly meetings will allow us to relate more and discuss how we can grow as a department. Hiring a BDC employee will help with our shop loading issues. Eliminating 1 line repair orders and stopping unnecessary discounts should add an immediate impact on the service departments profitability, as will improving the number of parts in stock. We are looking forward to a great and profitable 2021.