



McDavid Ford

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- A. Advertising - All Digital other than service minders
- B. Marketing - Non Dealer survey - Done on a monthly basis. Until class no records were kept on the dealer survey. Going forward they are done on a monthly basis and filed by the service manager
- C. Facility Potential is \$1,224,000 and utilization is only at 37.74%
- D. Tech Proficiency is 97.59%
- E. Conventional
- F. Our cost of labor in \$24.15 which equaled 39.95% cos. This number is a little high. Too many one line items
- G. No changes in our expense structure
- H. Advisors are paid a flat rate based on hours sold with incentives for tires, alignments, brakes, batteries and a csi bump.
- I. Advisors look at there performance based on their peer group weekly. We will be posting a peer board going forward in the service managers office
- J. Currently our store is current on all levels of Ford Training
- K. Special tool room is a mess
- L. Repair Order Analysis
 - Too many one line items 55%
 - Hours per ro are too low at 1.45
 - ELR is too low at 60.04

Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 2,131	÷ 62.30	= 34.21	FRH Average
Maintenance	\$ 2,373	÷ 38.10	= 62.27	FRH Average
Repair	\$ 4,281	÷ 44.90	= 95.35	FRH Average
Totals	\$ 8,785	÷ 145.30	= 60.46	Customer ELR
		Target Labor Rate	120.50	Per FRH
Total Ro's in Sample	100	Difference	-60.04	Per FRH

Cost of Labor

Total Cost of Labor	3509.10	÷ Total Sales	= 39.95%	Percent Cost of Sales
Total Cost of Labor	3509.10	÷ Total FRHs	= 24.15	Cost per FRH

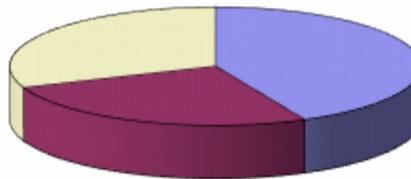
Repair Order Measurements

Total Labor Sales	8,784.66	÷ Total ROs	= 87.85	Avg Labor per RO
Total FRHs	145.30	÷ Total ROs	= 1.45	Avg FRH's per RO
Menu Sales		÷ Total ROs	=	Percent Menu Sales
Competitive FRHs	62.30	÷ Total FRHs	= 42.88%	Percent Competitive
Maintenance FRHs	38.10	÷ Total FRHs	= 26.22%	Percent Maintenance
Repair FRH	44.90	÷ Total FRHs	= 30.90%	Percent Repair
One item ROs	55	÷ Total ROs	= 55.00%	Percent One Item RO

Model Year Analysis

2018	2017	2016	2015	2014	2013	Older	Total
0	14	21	19	11	11	24	100
0.00%	14.00%	21.00%	19.00%	11.00%	11.00%	24.00%	

Labor Mix



■ Percent Competitive
 ■ Percent Maintenance
 ■ Percent Repair

M. Swot Analysis

Strengths

1. High volume busy store
2. Large shop with a lot of potential for growth
3. Solid base of employees that do care and want to get better

Weaknesses

1. CSI
2. Customer/advisor communication
3. Employee turnover
4. Advisor Training needs to be improved
5. Teamwork between the advisors and the tech's is a continual issue
6. Getting work out of the shop timely

Opportunities

1. We have had huge growth in our UIO therefore we should be able to capture more service business
2. CSI - We have to improve our customer experience to begin to grow the fixed side of the store
3. We have huge room in our shop for growth
4. We have an opportunity to do a better job of training our advisors to sell on the drive. Our one line items and hours per ro are well below guide

Threats

1. Employee turnover
2. CSI
3. Employee Satisfaction

ACTION PLANS

<u>Task</u>	<u>By whom</u>	<u>Completion Date</u>
Daily Training of Service Advisors completion	Service/ drive mgr	daily 7-9 no
Improve Customer/advisor communication Implement 10/12/2 rule by phone or text	Advisors	12/1/2017
Daily review of one line items 12/1/2017	Service and drive mgr	
Non Dealer Survey completed monthly 12/1/2017	parts and service mgr	
Peer boards for Advisors	service manager	12/1/2017
Dare to Compare Board 1/1/2018	parts manager	
Clean Special tool room and add a door 1/1/2018	parts manager	

Synopsis

After going through the service class and doing the homework several things are very evident within our fixed operations that could add to structure and success in the future. We are lacking in hours per ro and upselling on the drive. We also have problems with employee turnover and CSI.

Our focus going forward will have to center on training our advisors better. This will result in higher hours per ro, more upsales and in turn a happier (higher compensated) employee who will be much less likely to turn over. And as everyone knows Employee Satisfaction leads to customer satisfaction.

This should effect all employees in a positive way. Advisors, techs and Managers will reap the benefit of better trained advisors. If we have happy employees, the communication and teamwork should improve vastly, while reducing the turnover. Thus creating a team that has worked together for a long time and are on the same page.