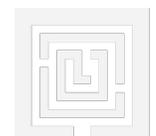


# Service Analysis N388

The following is the Service analysis for  
Warrensburg Ford Class N388.

FEBRUARY 24

Warrensburg Ford  
Authored by: Shawn Jeffrey



Logo  
Name

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# SWAT Analysis

## Action Plan

TASK	BY WHOM	START DATE
Raise door rate	GM/service mgr	2/21/22
Create bonus program for Shop Forman	GM/service mgr	2/1/22
Create bonus program to move .3 Hours per RO	GM/service mgr	2/1/22
Increase tech pay	GM/service mgr	2/1/22
Work with company to raise warranty rate	GM/Service mgr	2/21/22
Pay plan for vehicle health reports	GM/Service mgr	3/1/22
Install a video service for tech and advisors	GM/Service mgr	2/21/22
Posting of non-dealer competitive pricing board	GM/Service mgr	2/1/22

## Synopsis

After N388 we were able to see things that can benefit our service department a great deal. First, we found we were under priced and determined a rate increase was needed immediately. So, we have made our competitive board and have it posted in rotation on our TVs in the service drive. We are also in the process of working on a bill board and social media campaign to market our findings. We have a contract with Armatus and are expecting a warranty uplift of \$60,000 parts only. They are performing our labor study now. These items we expect will improve our fixed absorption.

- A. Changes that we will make to increase Utilization Hire one more tech that complements our vision and work environment. Our Utilization is currently at 41.89%

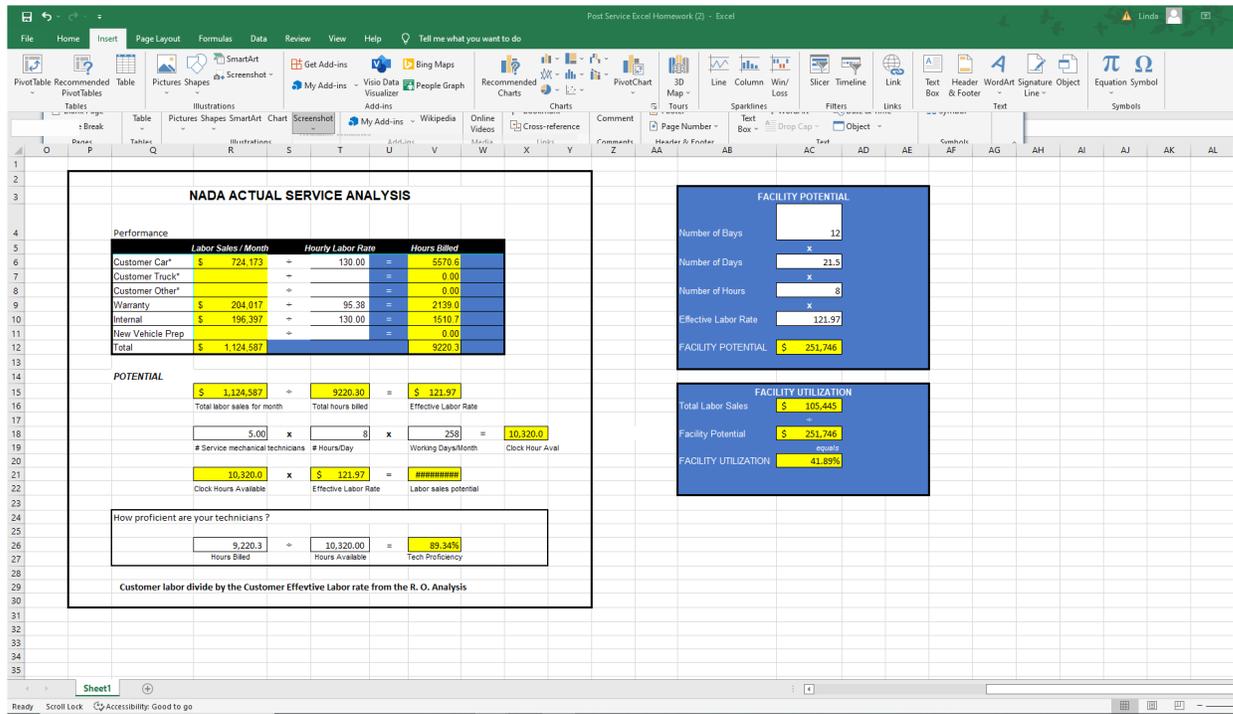
The screenshot shows an Excel spreadsheet with the following data:

FACILITY POTENTIAL	
Number of Bays	12
	x
Number of Days	21.3
	x
Number of Hours	8
	x
Effective Labor Rate	121.97
FACILITY POTENTIAL	\$ 251,746

FACILITY UTILIZATION	
Total Labor Sales	\$ 105,442
Facility Potential	\$ 251,746
FACILITY UTILIZATION	41.89%

- B. Productivity Tech Proficiency: Train Advisors, consistently present maint items. Install CDK Tru Video Platform to increase repair close rates and communication with clients.



- C. Production Method: Compensate our Shop Forman and Master Tech for overall shop performance. Implemented \$.60 for every labor hour sold in shop. This in now in place to increase overall production in our service dept.
- D. Analyze Cost of Labor: WE did and have decided to increase door rate as well as increase tech hourly wage. With stairstep incentives being added for hours flagged and training accomplished.
- E. Changes in Expense Structure: We have high 1-line RO's We have implemented a bonus program for advisors to increase .3 hour per RO of \$500 per advisor. So far, they have increase .2 this month!
- F. Pay Plans: We did need to make some adjustments in pay plans. We have an advisor in training that needs to be moved to our advisor pay plan. We also made changes in our Shop Forman pay plan to incentivize the wanted outcome.
- G. Level of current training: We are within the current minimum training standards for our manufacture. But we are also volatile, a loss of one tech and we are not meeting our standards. So, we have changed our pay plan for our techs to properly incentivize training and certifications. So far we have set new records for training and certifications and the techs are challenging each other to get more done.
- H. Special Tools: One are we are solid in! No issues.

I. 100 Repair Order Analysis:

Repair Order Analysis Summary Report									
	Sales in Dollars	FRH's on RO's	Averages	Analysis					
Competitive	\$1,598	41.70	38.31	FRH Average					
Maintenance	\$2,517	32.10	78.41	FRH Average					
Repair	\$4,766	41.00	116.24	FRH Average					
Totals	\$8,881	114.80	77.36	Customer ELR					
Total Ro's in Sample	100	Target Labor Rate	97.38	Per FRH					
		Difference	-20.02	Per FRH					
Cost of Labor									
Total Cost of Labor	2457.50	Total Sales	27.67%	Percent Cost of Sales					
Total Cost of Labor	2457.50	Total FRHs	21.41	Cost per FRH					
Repair Order Measurements									
Total Labor Sales	8,880.65	Total ROs	88.81	Avg Labor per RO					
Total FRHs	114.80	Total ROs	1.15	Avg FRH's per RO					
Menu Sales		Total ROs		Percent Menu Sales					
Competitive FRHs	41.70	Total FRHs	36.32%	Percent Competitive					
Maintenance FRHs	32.10	Total FRHs	27.96%	Percent Maintenance					
Repair FRH	41.00	Total FRHs	35.71%	Percent Repair					
One Item ROs	66	Total ROs	66.00%	Percent One Item RO					
Model Year Analysis									
2023	2022	2021	2020	2019	2018	Older	Total		
0	0	3	5	6	6	80	100		
0.00%	0.00%	3.00%	5.00%	6.00%	6.00%	80.00%			

Labor Mix	

J. I started with the Action Plan do to the fact that we had already started several things at the beginning of the month. Below is copies of our Year goals broke down. And the competitive pricing board we did.

6 main line techs

2022 FORECAST WARRENSBURG FORD SERVICE	WORK DAYS	GOAL TARGET AVERAGES		
		\$79,000.00	45.0000%	63.500%
		GROSS	NET	SALES
JAN	21	\$77,766	\$34,995	\$122,466
FEB	20	\$74,063	\$33,328	\$116,634
MAR	23	\$85,172	\$38,327	\$134,129
APR	21	\$77,766	\$34,995	\$122,466
MAY	21	\$77,766	\$34,995	\$122,466
JUN	22	\$81,469	\$36,661	\$128,297
JUL	20	\$74,063	\$33,328	\$116,634
AUG	23	\$85,172	\$38,327	\$134,129
SEP	21	\$77,766	\$34,995	\$122,466
OCT	21	\$77,766	\$34,995	\$122,466
NOV	22	\$81,469	\$36,661	\$128,297
DEC	21	\$77,766	\$34,995	\$122,466
ANNUAL	256	\$948,000	\$426,600	\$1,492,913
MONTHLY AVG	21.3	\$79,000	\$35,550	\$124,409
DAILY AVG		\$3,703	\$1,666	\$5,832

Breakdown of goals:

Average monthly gross goal: \$79000

Average monthly net goal: \$35550

Average monthly sales goal: \$124409

Total average available hours to sell: 1363.2

Need to achieve:

96.7% shop labor efficiency

1318 hours per month sold

190 hours per month = 47.5 hours per week = 9.5 hours per day per main line tech

68 hours per month = 17 hours per week = 3.4 hours per day per lube tech

# COMPETITIVE PRICING

EXAMPLE VEHICLE: 2016 FORD FUSION	Cliff Harris <b>WARRENSBURG</b> 	<b>BIG TIRES</b> <small>AN AMERITRAC COMPANY</small>	 <b>jiffylube</b>		<b>Buzzanga's</b>	
<b>OIL &amp; FILTER CHANGE*</b> 	\$39.95	\$55.99	\$89.99	\$69.99	\$74.00	\$45.00
<b>BALANCE</b> 	\$49.95	\$36.00	N / A	\$80.00	\$40.00	\$60.00
<b>FRONT END ALIGNMENT</b> 	\$99.95	\$89.99	N / A	\$89.99	\$89.99	N / A
<b>A/C SERVICE</b> 	\$170.00	\$156.95	\$139.99	\$145.99	\$225.00	N / A
<b>FRONT BRAKE PADS</b> 	\$210.00	\$205.00	N / A	\$290.99	\$245.00	\$150.00

## PLUS WE OFFER DEALER BENEFITS THAT OTHERS SIMPLY CAN'T

- Waiting Area w/ WiFi
- We Use Quality OEM Parts
- Factory Warranty
- Factory Trained Technicians
- Shuttle Service
- Late Night/Early Drops



Pricing may vary. Up to five quarts Motorcraft oil and oil filter. Taxes diesel vehicles, and disposal fees extra. Pricing as of January 4, 2022