

William Castlebury

Class 33



Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 5,145	÷ 75.20	= 68.41	FRH Average
Maintenance	\$ 3,129	÷ 32.30	= 96.88	FRH Average
Repair	\$ 21,118	÷ 132.74	= 159.09	FRH Average
Totals	\$ 29,391	÷ 240.24	= 122.34	Customer ELR
Target Labor Rate			162.09	Per FRH
Total Ro's in Sample	100	Difference	-39.75	Per FRH

Cost of Labor

Total Cost of Labor	6978.50	÷ Total Sales	= 23.74%	Percent Cost of Sales
Total Cost of Labor	6978.50	÷ Total FRHs	= 29.05	Cost per FRH

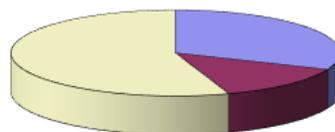
Repair Order Measurements

Total Labor Sales	29,391.48	÷ Total ROs	= 293.91	Avg Labor per RO
Total FRHs	240.24	÷ Total ROs	= 2.40	Avg FRH's per RO
Menu Sales		÷ Total ROs	=	Percent Menu Sales
Competitive FRHs	75.20	÷ Total FRHs	= 31.30%	Percent Competitive
Maintenance FRHs	32.30	÷ Total FRHs	= 13.44%	Percent Maintenance
Repair FRH	132.74	÷ Total FRHs	= 55.25%	Percent Repair
One item ROs	33	÷ Total ROs	= 33.00%	Percent One Item RO

Model Year Analysis

2023	2022	2021	2020	2019	2018	Older	Total
0	3	4	8	10	11	64	100
0.00%	3.00%	4.00%	8.00%	10.00%	11.00%	64.00%	

Labor Mix



■ Percent Competitive ■ Percent Maintenance □ Percent Repair

NADA ACTUAL SERVICE ANALYSIS

Performance

	<i>Labor Sales / Month</i>		<i>Hourly Labor Rate</i>		<i>Hours Billed</i>
Customer Car*	\$ 99,604	÷	169.88	=	586.3
Customer Truck*		÷		=	0.00
Customer Other*		÷		=	0.00
Warranty	\$ 62,972	÷	160.99	=	391.2
Internal	\$ 26,028	÷	169.88	=	153.2
New Vehicle Prep		÷		=	0.00
Total	\$ 188,603				1130.7

POTENTIAL

\$ 188,603	÷	1130.68	=	\$ 166.80		
Total labor sales for month		Total hours billed		Effective Labor Rate		
4.00	x	9	x	22	=	792.0
# Service mechanical technicians		# Hours/Day		Working Days/Month		Clock Hour Avail
792.0	x	\$ 166.80	=	\$ 132,109		
Clock Hours Available		Effective Labor Rate		Labor sales potential		

How proficient are your technicians ?

871.7	÷	768.00	=	113.50%
Hours Billed		Hours Available		Tech Proficiency

Customer labor divide by the Customer Effective Labor rate from the R. O. Analysis

FACILITY POTENTIAL

Number of Bays	10
	x
Number of Days	22
	x
Number of Hours	9
	x
Effective Labor Rate	104.12
FACILITY POTENTIAL	\$ 206,158

FACILITY UTILIZATION

Total Labor Sales	\$ 188,603
	÷
Facility Potential	\$ 206,158
	equals
FACILITY UTILIZATION	91.48%

Looking at my repair order summary I can tell that we have too many one-line repair orders. With a high percentage of high mileage and older vehicle we should have a much lower one-line repair order count. If we can adjust this, it would help our effective labor rate and hours per ro a great deal. If we were able to obtain two more techs it would help our facility utilization and drive up our gross.

SWOT

Strengths

1. We have a trusting customer base who are willing to perform all aspects of vehicle maintenance including upsells. They are loyal and return frequently.
2. We have loyal employees who are happy to go the extra mile to make our customer happy. This leads to a very positive customer survey group.
3. We have a very involved owner and management team who are always willing to help and provide guidance.
4. We have more work than we can get through the shop.

Weaknesses

1. Weak service write up and dispatching.
2. Service advisors are not contacting the customers frequently enough causing dissatisfied customers and chaos in the service drive.
3. Shop and parts size causing us to lack the ability to grow much more.
4. Complacent employees causing others to work harder to pick up the slack.
5. Finding employees in a very rural community.

Opportunities

1. We are easily able to build stronger relationships with the community around us.
2. We have new programs to help the customers including pickup and delivery loaner programs and ford pass opportunities for the customer to get money back.
3. We have a good group of technicians who can help and guide new and young technicians.
4. As a former Senior Master Ford Technician, I can understand and help with the needs of the service department.

Threats

1. Outside repair shops have been poaching our employees.
2. Not having the ability to service vehicles because we are backed up is causing customers to get frustrated causing them to go to other shops.
3. Our lack of communication with the customers is causing them to get frustrated and not trust us which leads to them visiting other shops.

Objectives

1. Improve selling gross by watching my unapplied labor.
2. Train the service advisors to use all the tools they are supplied.
3. Immerse myself into all parts of the service department so I can understand and keep an eye on what is happening every day.
4. Review all repair orders each day to watch for coupon and adjustments made that I did not approve.
5. Set proper goals and hold everyone accountable.
6. Hire two new technicians.

Strategies

1. Make sure the right jobs are going to the right techs by watching the schedule closely.
2. Watch the hourly techs to make sure they are using their time wisely.
3. Hire an additional hourly lube tech so I can progress Nick into a flat rate roll with repair work.
4. Eliminate the ability of the service advisors to discount repair orders without my consent.

Tactics

1. I will authorize all coupons and discounts used.
2. I will monitor and correct issues in the service department as they happen. I will have one on ones so I can help the individual see the problem and correct it.
3. I will hire two new techs to help with workflow issues.
4. The clear goals I set will be tracked daily and monthly to allow my employees to accel.

Even though I have only been here and a service manager for two months it is evident what I need to do. The service department was throwing away money due to lack of attention and accountability. Implementing clear goals and expectations has already begun to make the service department more money. My study was based on June and with July closing I have watched our profit grow immensely. The tools I learned while in class have helped me see the gaps that were in the service department which were causing issues. The service advisors have been using the new tools that I have given them and in turn the customers have been much happier with us. I have begun the hiring process for two new techs one hourly and one diesel tech. With the addition of these two techs, we will be able to gross much more, and it will put us near my goal. I will continue to monitor the service advisor's communication with the customers making sure updates are happening. I have been placing the right jobs with the right techs and this has allowed my effective labor rate to raise and has also allowed for upsells bringing my hours per ro up. We have updated our menu board and are in the process of making new pamphlets. I have also been tracking open ro's much more closely allowing us to cut them almost in half. I want to end by thanking yall for the class. The information I received while there is priceless, and I can already see a difference in my service department. One of the most prominent things I learned is that all the service departments struggle in the same areas. With this it is evident that the

biggest thing that affects the department is the person managing it. I will continue to use and implement everything I learned in class which will allow for a profitable and smooth-running department.

We will not be complacent !!

We will not be losers !!

We will not suck !!

