

- Strengths
  - Average Flat Rate Hours per RO (currently at 2.43, which is in guide)
  - GREAT labor mix
    - Competitive is 35.14%
    - Maintenance is 26.10%
    - Repair is 38.76%
    - Guide: C + M = 60% and R = 40%
  - 0 one item Ros – we do a great job upselling

Repair Order Measurements						
Total Labor Sales	19,710.67	÷	Total ROs	=	197.11	Avg Labor per RO
Total FRHs	243.30	÷	Total ROs	=	2.43	Avg FRH's per RO
Menu Sales		÷	Total ROs	=		Percent Menu Sales
Competitive FRHs	85.50	÷	Total FRHs	=	35.14%	Percent Competitive
Maintenance FRHs	63.50	÷	Total FRHs	=	26.10%	Percent Maintenance
Repair FRH	94.30	÷	Total FRHs	=	38.76%	Percent Repair
One item ROs	0	÷	Total ROs	=	0.00%	Percent One Item RO

- Weaknesses
  - Stop allowing advisors to discount
    - Competitive shows an average of \$60.52 as a Flat Rate Hours Average
    - Maintenance shows an average of \$56.01 as a Flat Rate Hours Average
  - Decrease the Percent Cost of Sales from 26.92% to less than 24%
  - Retain customers from new sales customers to Service. We need to do a better job introducing customers that purchase new vehicles to the service department. This will help increase retention of customers for our service department
    - 2023 Model Year = 1%
    - 2022 Model Year = 8%
    - 2021 Model Year = 7%
    - 2020 Model Year = 8%
    - 2019 and Older Model Year = 76%

Model Year Analysis							
2024	2023	2022	2021	2020	2019	Older	Total
0	1	8	7	8	9	67	100
0.00%	1.00%	8.00%	7.00%	8.00%	9.00%	67.00%	

- Opportunities
  - We need to find a way to get more customers with 2020 – 2023 customers coming back and service with us.
  - Focus on phone training I parts and service.
    - Make sure we get the customers' information so we can follow up.

- Ask for an appointment.
    - Up sale.
    - Prepare customers for what they need.
    - Follow up on declined work
  - We must make sure we don't overbook appointments because it is affecting our CSI score.
  - Find more technicians.
- Threats
  - We need to find more technicians, so we don't lose customers for not having opening.
  - Even though we are priced competitively customers still think our price is higher
- Objectives
  - Get used cars out within 72 hours.
  - Lower cost of sale by 3%
  - Get 90% of new car customers to at least have the first service with us. Currently we are at 73%.
  - 100% of new car customers need to meet the service manager or an adviser.
  - Pick up customers' vehicles for service to improve CSI.
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- Strategies
  - Change pay plans for the advisors.
  - We need to hire one more advisor, currently our advisors are writing over 20 Ros per day.
  - Need parts runner.
  - Send an email blast to customers that have purchased a new vehicle within the last three years.
- Tactics
  - All parts and labor discounts must be approved by service manager, fixed ops director or General Manager.
- Task
  - Learn how to use Tekion to shut off discounting more effectively
    - By whom – Service Manager
- Synopsis

Even though the service department is extremely busy we still need to focus on a few things to make the management, advisors and parts personnel better. We need to hold each other accountable. The parts department doesn't need to discount unless they have checked with the parts manager or the service director.

We will also advertise aggressively to hire a couple of techs that we can use once we change the schedule. We will open longer on weekdays and open on weekends. That will also increase parts sales.

Changing the schedule by having a few techs coming in early and having few stays late will help with carryovers. It should also open space to get more appointments and get the internals serviced in a timely manner. It should also improve our CSI score by having customers' cars done faster and but more importantly making sure it is done right the first time.

Even though we have a profitable service department it is important to continuously work on getting better every day. I am excited to see how great we can be.