

FIX-IT

Fine-Tuning Operational Excellence and Deficiency Solutions

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Key Takeaways

1

Analyze Key Performance Indicators that directly impact the bottom line

2

Accurately value service offerings to maximize revenue opportunities

3

Conduct a SWOT analysis of the service department

Workshop Overview

- Master Fixed Ops
- Thrive in today's environment



The Challenge

Overlooking Fixed Ops

- **60%** absorption
- Support for variable sales
- Profit potential
- Accountability systems



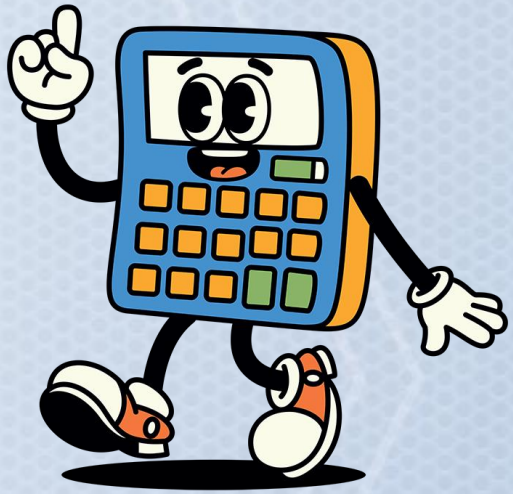
The Fix-It Equation

A Little +

A Little +

A Little = A LOT!

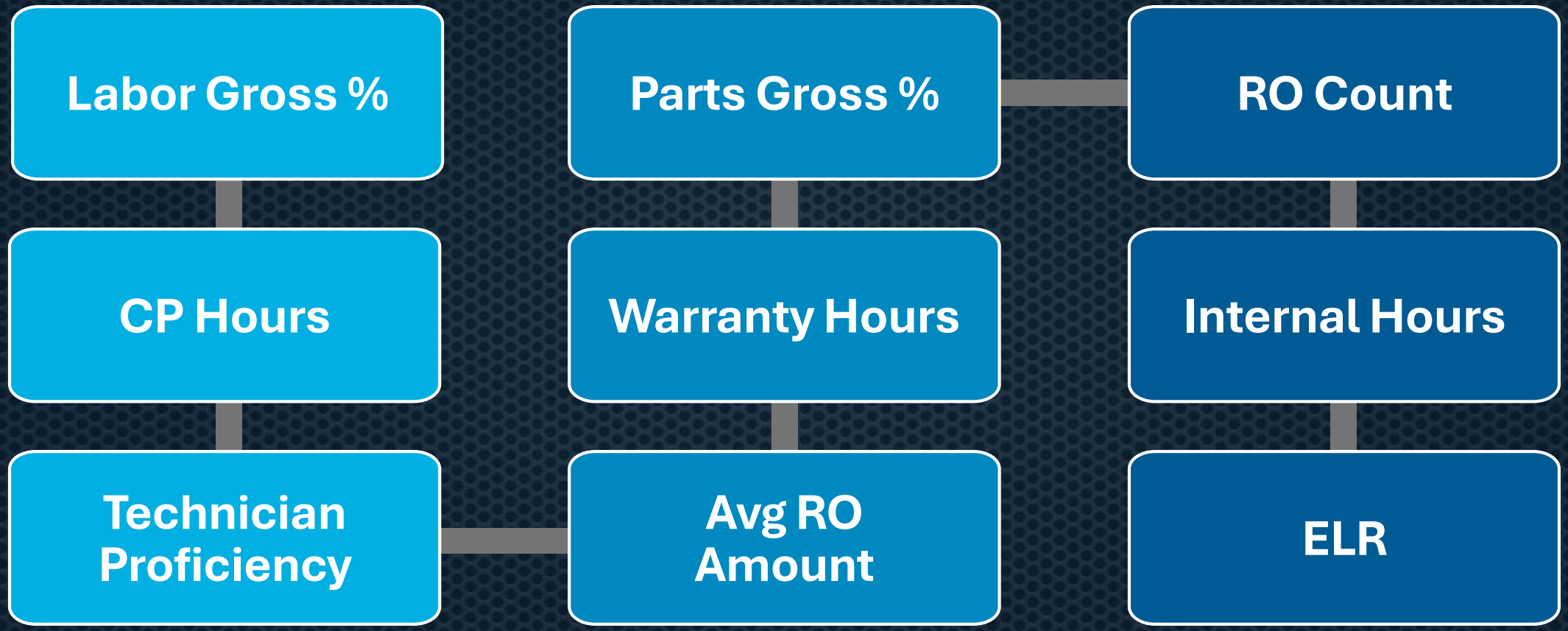
It's Just Math!



The Solution – The Five Pillars of Success

1	2	3	4	5
Know Your **NUMBERS**	Know Your **WORTH**	Know Your **SWOT**	Know Your **TEAM**	Know Your **FUTURE**

Pillar 1 - Knowing Your NUMBERS



Pillar 2 - Knowing Your WORTH

- ✓ Service Evaluation
- ✓ Pricing Optimization
- ✓ Customer Satisfaction
- ✓ Value Proposition
- ✓ Competitive Analysis



Service Evaluation

- Assess your Top 20 Labor Ops

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Attachment B

Top 20 Labor Ops + Competitive & Maintenance

Fill in the lime-colored cells:

Dealership: DEALERSHIP XYZ MOTORS AUG 25

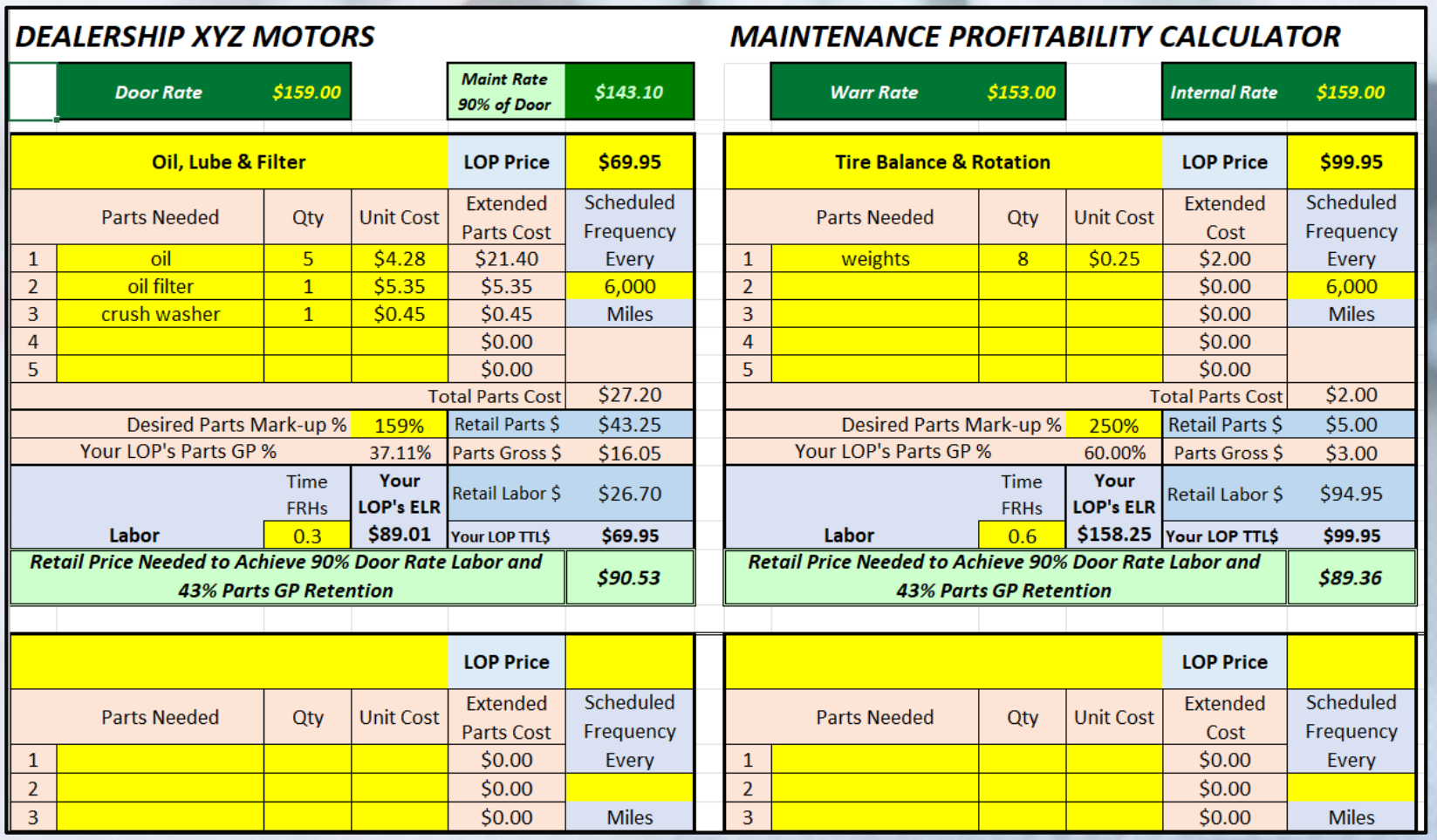
Complete This Section With Your Top-20 Labor Ops: *(Use 'Tab' to move quickly & easily to lime-colored cells)*

Specific Labor Operation (In Order of Frequency for 90-Days or Total Year)	# of Ops Sold	Labor $ Charge	FRH Time	Parts Cost $	Parts Charge $	$ ELR	Parts Gross	Parts GP%	Total Avg LOP Sale	Total $ Sales
IPPMG - Basic Sevice Prepair (LOF, Tire Rotaion, Inspection)	1,050	$21.70	0.3	43.25	38.84	$72.33	-$4.41	-10.20%	$60.54	$63,564.84
SKY5 - Basic Service (LOF, Tire Rotation, Inspection)	269	$68.78	0.7	36.06	51.15	$98.25	$15.09	41.86%	$119.93	$32,261.30
SKY510 - Basic Service coupon	142	$60.44	0.7	35.00	47.14	$86.34	$12.14	34.69%	$107.57	$15,275.51
MFWA - Alignment	140	$150.67	1.0	0.00	0.00	$150.67	$0.00	0.00%	$150.67	$21,094.09
GIND - Fuel injection cleaning	94	$175.51	1.0	0.00	0.01	$175.51	$0.01	0.00%	$175.52	$16,498.64
MCABIN - Cabin filter replacement	92	$40.06	0.4	20.05	33.78	$100.15	$13.73	68.47%	$73.84	$6,793.34
MBFLUSH - Brake fluid replacemente	92	$173.23	1.0	0.29	2.30	$173.23	$2.01	696.68%	$175.52	$16,148.13
MAIR - engine air filter replacement	90	$23.93	0.1	16.64	33.83	$239.32	$17.19	103.30%	$57.76	$5,198.74
MCFLUSH - coolant replacement	63	$154.77	1.0	24.57	29.20	$154.77	$4.63	18.86%	$183.97	$11,589.96
MRBJ - Rear brakes	60	$263.73	1.4	54.92	137.60	$188.38	$82.68	150.55%	$401.32	$24,079.38
MTFLLUSH - transmission fluid replacement	55	$197.29	1.0	104.15	143.08	$197.29	$38.93	37.38%	$340.37	$18,720.37
SKY15IP - intermediate service with prepaid service	50	$66.79	0.4	38.16	63.00	$166.96	$24.84	65.11%	$129.79	$6,489.29
MFBJ - Front brakes	44	$262.46	1.3	73.51	144.39	$201.89	$70.88	96.43%	$406.85	$17,901.46
MBATT - battery instalation	41	$77.30	0.5	160.64	243.67	$154.60	$83.04	51.69%	$320.97	$13,159.88
MMB4 - 4 Tires installation	26	$113.69	1.2	478.60	587.64	$94.74	$109.04	22.78%	$701.33	$18,234.49
MMB1 - ! Tire installation	25	$26.68	0.3	174.82	208.35	$88.93	$33.53	19.18%	$235.03	$5,875.73
OIL - Oil change coupon	25	$42.53	0.5	33.96	45.43	$85.05	$11.47	33.78%	$87.96	$2,199.01
BATSERV - Battery service	24	$40.82	0.4	1.18	2.62	$102.04	$1.44	122.46%	$43.43	$1,042.36
SKY15 - Intermediate service (LOF, Air and Cabin Filter, Tire rotation)	23	$92.93	1.1	76.42	115.31	$84.48	$38.90	50.90%	$208.25	$4,789.67
MMB2 - 2 tire instalation	14	$53.85	0.6	287.38	345.73	$89.76	$58.35	20.30%	$399.59	$5,594.20

Instructions for completing this sheet:

Pricing Optimization

- Analyze Offerings
- Optimize for Profitability



DEALERSHIP XYZ MOTORS — **MAINTENANCE PROFITABILITY CALCULATOR**

Door Rate	$159.00	Maint Rate 90% of Door	$143.10

Warr Rate	$153.00	Internal Rate	$159.00

Oil, Lube & Filter				LOP Price	$69.95
	Parts Needed	Qty	Unit Cost	Extended Parts Cost	Scheduled Frequency
1	oil	5	$4.28	$21.40	Every
2	oil filter	1	$5.35	$5.35	6,000
3	crush washer	1	$0.45	$0.45	Miles
4				$0.00	
5				$0.00	
				Total Parts Cost	$27.20
		Desired Parts Mark-up %	159%	Retail Parts $	$43.25
		Your LOP's Parts GP %	37.11%	Parts Gross $	$16.05
Labor	Time FRHs 0.3	Your LOP's ELR $89.01		Retail Labor $	$26.70
				Your LOP TTL$	$69.95
Retail Price Needed to Achieve 90% Door Rate Labor and 43% Parts GP Retention					$90.53

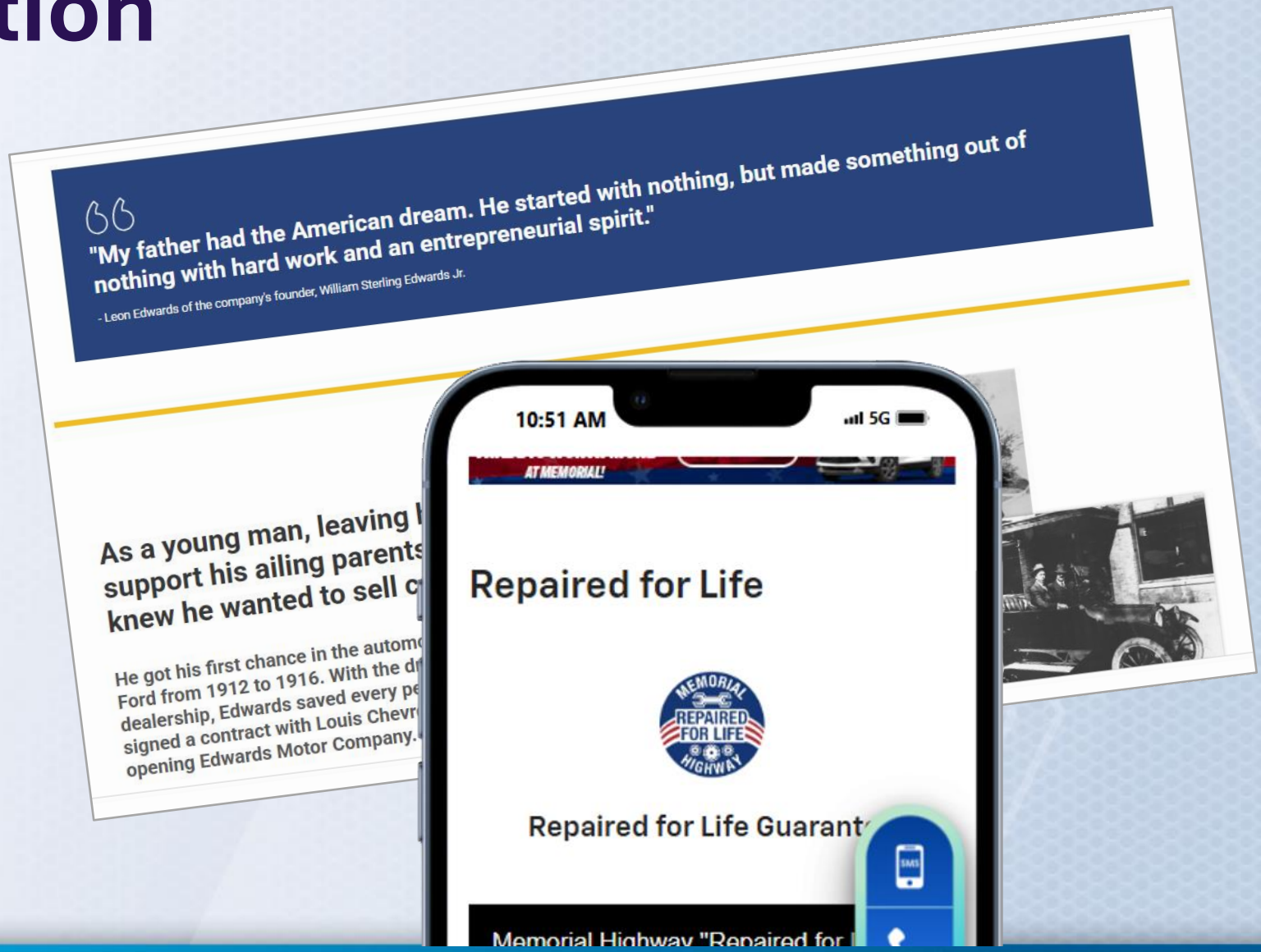
Tire Balance & Rotation				LOP Price	$99.95
	Parts Needed	Qty	Unit Cost	Extended Cost	Scheduled Frequency
1	weights	8	$0.25	$2.00	Every
2				$0.00	6,000
3				$0.00	Miles
4				$0.00	
5				$0.00	
				Total Parts Cost	$2.00
		Desired Parts Mark-up %	250%	Retail Parts $	$5.00
		Your LOP's Parts GP %	60.00%	Parts Gross $	$3.00
Labor	Time FRHs 0.6	Your LOP's ELR $158.25		Retail Labor $	$94.95
				Your LOP TTL$	$99.95
Retail Price Needed to Achieve 90% Door Rate Labor and 43% Parts GP Retention					$89.36

				LOP Price	
	Parts Needed	Qty	Unit Cost	Extended Parts Cost	Scheduled Frequency
1				$0.00	Every
2				$0.00	
3				$0.00	Miles

				LOP Price	
	Parts Needed	Qty	Unit Cost	Extended Cost	Scheduled Frequency
1				$0.00	Every
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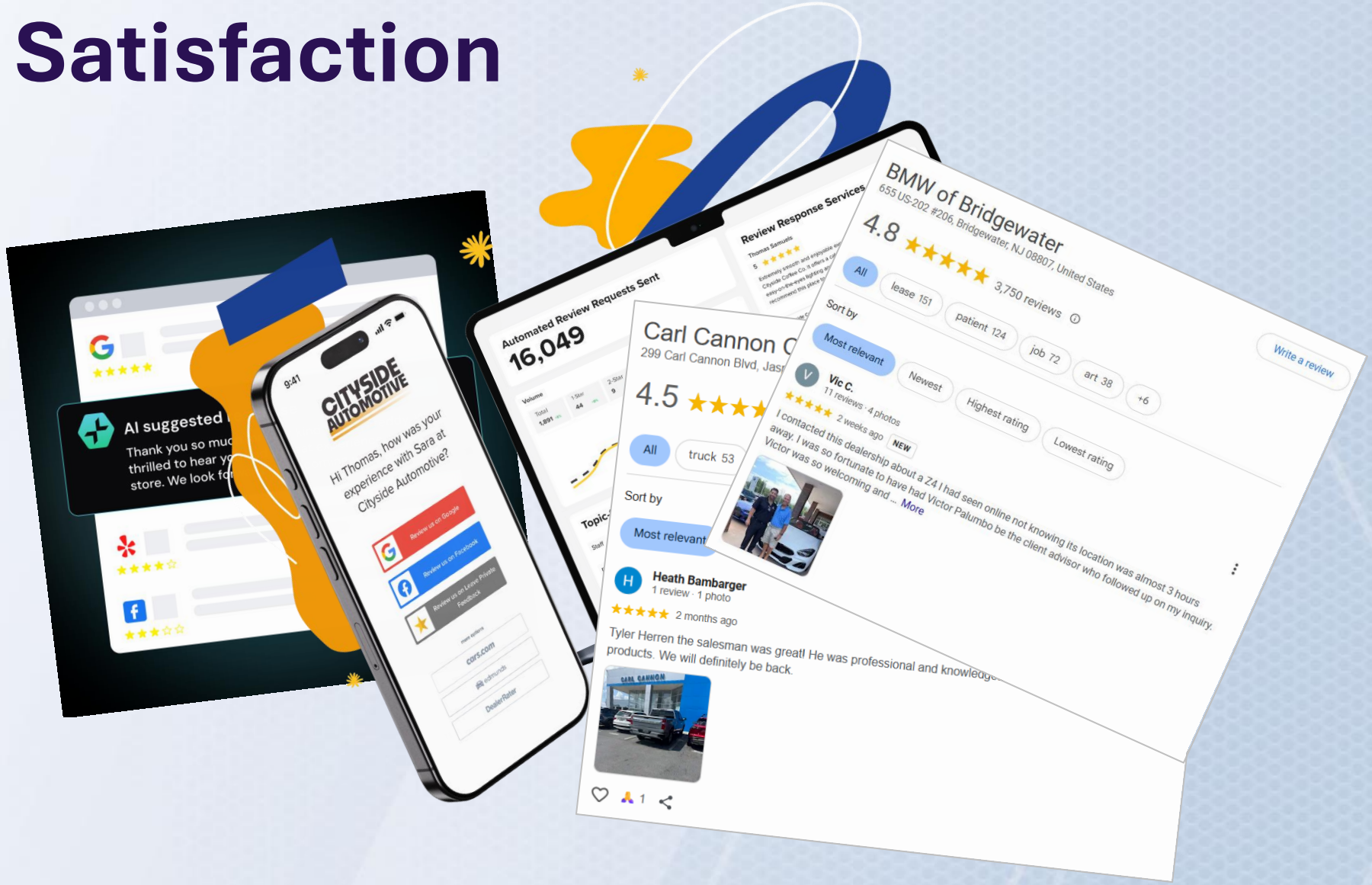
Value Proposition

- Communicate the Value
- Stand out in the Marketplace



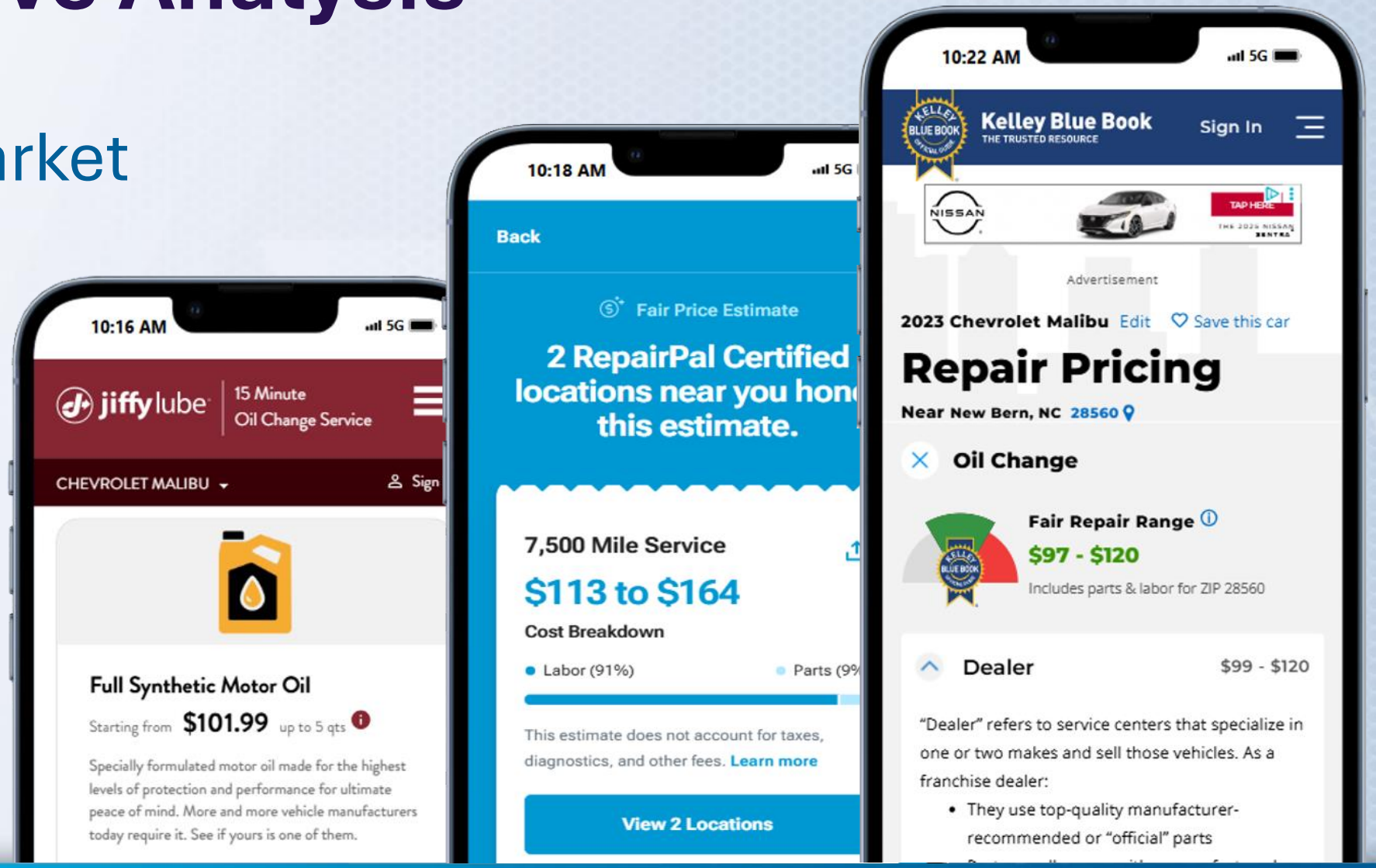
Customer Satisfaction

- Actively Pursue Customer Reviews



Competitive Analysis

- Conduct Market Research



Pillar 4 - Knowing Your TEAM

1. Team Management
2. Training Programs
3. Motivation Techniques
4. Goal Alignment
5. Performance Measurement
6. Communication



Your Team is Your Most Valuable Asset in Fixed Operations Success

Pillar 5 - Knowing Your FUTURE

- ✓ Innovative Technologies
- ✓ Market Shifts
- ✓ Customer Expectations
- ✓ Competitive Landscape
- ✓ Regulatory Changes

Preparation today ensures profitability tomorrow!



Implementation Strategy

Turning Knowledge into Action

- **Phase 1:** Assess
- **Phase 2:** Set goals
- **Phase 3:** Develop action plans
- **Phase 4:** Implement changes
- **Phase 5:** Monitor, measure, adjust

90 Days to Results



Success Metrics

KPIs for Fixed Operations

- Gross Profit Increase $$$
- Customer Retention %
- Productivity Gains⚡
- Efficiency Improvements📈

Regular monitoring ensures sustained improvement and profitability



Common Pitfalls

- Ignoring Data
- Underpricing Services
- Neglecting Team Development
- Resistance to Change
- Short-term Thinking
- Poor Communication

Avoiding these pitfalls can save thousands in lost revenue!



Your Action Plan

Week 1: Conduct a comprehensive assessment using the 5 pillars

Week 2: Identify top 3 areas for immediate improvement

Weeks 3-4: Develop detailed action plans

Month 2: Begin implementation with team training

Month 3: Measure results and adjust strategies

The best time to start was yesterday.
The second-best time is now!

Remember:

A Little + A Little + A Little = A LOT!

- Fixed operations success comes from consistent attention to the fundamentals

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Know Your **NUMBERS**	Know Your **WORTH**	Know Your **SWOT**	Know Your **TEAM**	Know Your **FUTURE**



QUESTIONS?

LAS VEGAS

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