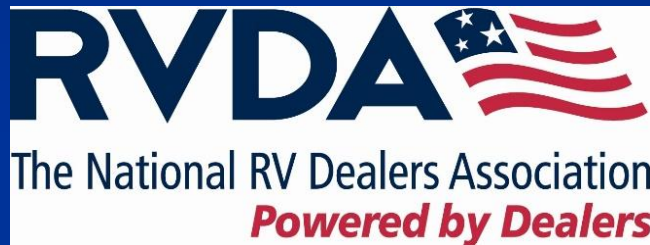




*The Don Reed  
PRO Training Network*



***Achieve 100% Shop Productivity in 30 Days***

Presented by:  
Don Reed

# What is the Definition of Shop Productivity?

*“The number of Technician flat rate hours actually billed on the repair order divided by the number of clock hours worked.”*

**Example:** *The Technician is on the clock for 40 hours in a week and 30 hours were billed on the repair orders. 30 hours produced divided by 40 hours worked equals 75% productivity.*

**Question: Is 100% Shop Productivity Important to You?**

# WHY Are So Many RV Technicians Performing Below 100% Productivity?

- **Lack of Commitment** to Service Department by Owners and General Managers.
- **Lack of Accountability** for performance:  
*“Is the Tail Wagging the Dog”*  
Service Managers - Parts Managers - Service Advisors - Technicians
- **Lack of Performance Based Pay Plans** that motivate and reward employees for higher performance.

# WHY Are So Many RV Technicians Performing Below 100% Productivity?

- **Lack of Proper Equipment** for Technicians
- **Lack of Salesmanship** by Advisors
- **Lack of Timely Parts** delivery to Technicians
- **Lack of an Inspection Process**
- **Lack of Maintenance Menus**

*Question: “Do any of the above apply to your Dealership?”*

***“You have the perfect processes in place to get you exactly what you got last year!”***

**- Zig Ziglar -**

# How Can You Improve Your Shop Productivity?

*Answer:*

*Owners and Management Team*

*Must Make a Commitment to*

***CHANGE!***

# Opportunities for Change

- #1 **Measure** What You Manage
- #2 **Compensate** to Motivate
- #3 **Communicate** with Technicians
- #4 **Train** Your Advisors How to Sell
- #5 **Support** Your Parts Department

# Definition: Insanity:

*"The definition of insanity is doing the same thing over and over again and expecting different results".*

*- Albert Einstein*



# Change #1: “You Can’t Manage What You Don’t Measure”

- **Technician** Daily Productivity Report
- **Advisors** Daily Productivity Report
- **Special Order** Parts Log
- **Monthly** Profit and Loss Statement

# Technician Productivity Report

Technician Name	Tech #	Day	Mon	Tue	Wed	Thurs	Fri	Sat	Productivity	
		Date							Goal	Total
Robert Smith	204	Produced	9.0	6.0	9.2	11.2	6.5		8.0	41.9
		Worked	8.0	8.0	8.0	8.0	8.0		8.0	40.0
		ASR's	2.0	1.0	1.0	0.0	2.0		5.0	6.0
		Percentage	112.5%	75.0%	115.0%	140.0%	81.3%		100.0%	104.8%
Chuck Jones	210	Produced	7.2	6.3	9.2	8.1	7.6	7.7	9.9	46.1
		Worked	8.0	8.0	8.0	8.0	8.0	6.0	9.0	46.0
		ASR's	2.0	1.0	1.0	0.0	2.0		5.0	6.0
		Percentage	90.0%	78.8%	115.0%	101.3%	95.0%	128.3%	110.0%	100.2%
Joe Miller	201	Produced	12.4	8.7	11.8	11.7	9.2	9.3	13.0	63.1
		Worked	8.0	8.0	8.0	8.0	8.0	6.0	10.0	46.0
		ASR's	2.0	1.0	1.0	0.0	2.0		5.0	6.0
		Percentage	155.0%	108.8%	147.5%	146.3%	115.0%	155.0%	130.0%	137.2%
David Morgan	222	Produced	6.0	5.3	7.2	6.6	9.1		9.9	34.2
		Worked	8.0	8.0	8.0	8.0	8.0		11.0	40.0
		ASR's	0.0	1.0	1.0	0.0	1.0		5.0	3.0
		Percentage	75.0%	66.3%	90.0%	82.5%	113.8%		90.0%	85.5%
Total Shop		Produced	34.6	26.3	37.4	37.6	32.4	17.0	40.8	185.3
		Worked	32.0	32.0	32.0	32.0	32.0	12.0	38.0	172.0
		ASR's	6.0	4.0	4.0	0.0	7.0	0.0	20.0	21.0
		Percentage	108.1%	82.2%	116.9%	117.5%	101.3%		90.0%	107.7%

# Advisors Productivity Report

## ABC Motors

Month of: Nov-14

Service Advisor: Robert Miller

	Yesterday	Avg Day	Daily Goal	MTD	Travel Rate	Monthly Goal	Difference
Working Days for the Month	N/A	N/A	N/A	19	22	N/A	3
<b>Retail Hours per Repair Order</b>	<b>3.9</b>	<b>2.6</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.5</b>	<b>0.1</b>
Total Labor Sales (CWI)	\$3,104	\$2,888	\$2,622	\$54,878	\$63,543	\$57,692	\$5,850
Retail Labor Sales	\$2,613	\$2,241	\$2,136	\$42,581	\$49,304	\$47,000	\$2,304
Total Parts Sales (CWI)	\$7,953	\$2,851	\$2,360	\$54,164	\$62,717	\$51,923	\$10,794
Retail Parts Sales	\$6,612	\$1,925	\$1,709	\$36,577	\$42,352	\$37,600	\$4,752
<b>Retail Effective Labor Rate</b>	<b>\$124.43</b>	<b>\$105.09</b>	<b>\$94.95</b>	<b>\$105.09</b>	<b>N/A</b>	<b>\$94.95</b>	<b>\$10.14</b>
Total RO's	11	14	12	262	303	264	39
Retail RO's	7	8	9	158	183	198	-15.1
Technician ASR's #	0	2	2.7	45	52	59	-7.3
Technician ASR \$	\$0	\$727	\$675	\$13,815	\$15,996	\$14,850	\$1,146
<b>Technician ASR's %</b>	<b>0.0%</b>	<b>28.5%</b>	<b>30.0%</b>	<b>28.5%</b>	<b>28.5%</b>	<b>30.0%</b>	<b>-1.52%</b>
Advisor Menu Sales #	5	2	2.3	43.0	50	50	0
Advisor Menu Sales \$	\$1,838	\$525	\$563	\$9,976	\$11,551	\$12,375	-\$824
<b>Advisor Menu Sales %</b>	<b>71.4%</b>	<b>27.2%</b>	<b>25.0%</b>	<b>27.2%</b>	<b>27.2%</b>	<b>25.0%</b>	<b>2.2%</b>
<b>Labor Gross Profit Margin</b>	<b>85.0%</b>	<b>N/A</b>	<b>75.0%</b>	<b>81.9%</b>	<b>N/A</b>	<b>75.0%</b>	<b>6.9%</b>
<b>Parts Gross Profit Margin</b>	<b>44.0%</b>	<b>N/A</b>	<b>45.0%</b>	<b>45.8%</b>	<b>N/A</b>	<b>45.0%</b>	<b>0.8%</b>



# Change #2: Install Performance Based Pay Plans for All

- Service *Managers*
- All *Technicians*
- Service *Advisors*
- *Parts* Staff

# Service Manager 40/60 Pay Plan

- **Salary** based on 40% of total annual compensation.
- **Monthly Performance Bonus** based on a percentage of the departmental variable gross profit (Variable Gross Profit = Gross Profit less Controllable Expenses, i.e. Policy Adjustment, Shop Supplies, Vehicle Expense, etc.)
- **Shop Productivity Bonus** based on Flat Rate Hours Billed vs. Clock Hours Worked.

# Service Advisors Compensation Calculator

## Total Labor Sales YTD

---

Customer Labor	\$674,315
Warranty Labor	\$209,844
Internal Labor	\$457,819
Other Labor	\$0
<b>Total Labor Sales</b>	<b>\$1,341,978</b>

## Total Parts Sales YTD

---

Customer Parts	\$629,561
Warranty Parts	\$248,892
Internal Parts	\$276,469
Other Parts	\$0
<b>Total Parts Sales</b>	<b>\$1,154,922</b>

**Total Repair Order Sales (All Advisors)** \$2,496,900

## Total Compensation YTD

---

**Total Compensation (All Advisors)** \$124,800

**Total Compensation as a Percent of Sales** **5.0%**

# Hourly Technician Pay Plan

1. **Hourly Base Compensation:** \$12.00 per hour?
2. **Performance Bonus:** to be added to the hourly base compensation. Based on the number of flat rate hours turned per week as follows:

Weekly Hours		Per Hour
30.0 - 34.9	=	\$0.50
35.0 - 39.9	=	\$1.00
40.0 - 44.9	=	\$1.50
45.0 +	=	\$2.00



# Hourly Technician Pay Plan

<b>Hourly Rate</b>	<b>Hours Worked</b>	<b>Weekly Pay</b>	<b>Average Productivity</b>	<b>Average Hours Produced</b>	<b>ELR</b>	<b>Sales Produced</b>	<b>Gross</b>	<b>GPM</b>
\$12.00	40	\$480	63%	25.0	\$75.00	\$1,875	\$1,395	74.4%
<b>Hourly Rate</b>	<b>Hours Worked</b>	<b>Weekly Pay</b>	<b>Average Productivity</b>	<b>Hours Produced</b>	<b>ELR</b>	<b>Sales Produced</b>	<b>Gross</b>	<b>GPM</b>
\$12.50	40	\$500	75%	30.0	\$75.00	\$2,250	\$1,750	77.8%
<b>Hourly Rate</b>	<b>Hours Worked</b>	<b>Weekly Pay</b>	<b>Average Productivity</b>	<b>Hours Produced</b>	<b>ELR</b>	<b>Sales Produced</b>	<b>Gross</b>	<b>GPM</b>
\$13.00	40	\$520	88%	35.0	\$75.00	\$2,625	\$2,105	80.2%
<b>Hourly Rate</b>	<b>Hours Worked</b>	<b>Weekly Pay</b>	<b>Average Productivity</b>	<b>Hours Produced</b>	<b>ELR</b>	<b>Sales Produced</b>	<b>Gross</b>	<b>GPM</b>
\$13.50	40	\$540	100%	40.0	\$75.00	\$3,000	\$2,460	82.0%
<b>Hourly Rate</b>	<b>Hours Worked</b>	<b>Weekly Pay</b>	<b>Average Productivity</b>	<b>Hours Produced</b>	<b>ELR</b>	<b>Sales Produced</b>	<b>Gross</b>	<b>GPM</b>
\$14.00	40	\$560	113%	45.0	\$75.00	\$3,375	\$2,815	83.4%

# Flat Rate Technician Pay Plan

1. **Hourly Base Compensation:** \$20.00 per hour?
2. **Performance Bonus:** to be added to the hourly base compensation, retroactive back to hour 1. Based on the number of flat rate hours turned per week as follows:

Weekly Hours		Per Hour
45.0 - 49.9	=	\$0.50
50.0 - 54.9	=	\$1.00
55.0 - 59.9	=	\$1.50
60.0 - 64.9	=	\$2.00

# Flat Rate Technician Pay Plan

<b>Example</b>	<b>Flat Rate Wage</b> \$20.00	<b>Hours Worked</b> 40	<b>Weekly Pay</b> \$800	<b>Average Productivity</b> 100%	<b>Average Hours Produced</b> 40.0	<b>ELR</b> \$75.00	<b>Sales Produced</b> \$3,000	<b>Gross</b> \$2,200	<b>GPM</b> 73.3%
<b>Level 1</b>	<b>Flat Rate Wage</b> \$20.50	<b>Hours Worked</b> 40	<b>Weekly Pay</b> \$923	<b>Average Productivity</b> 113%	<b>Hours Produced</b> 45.0	<b>ELR</b> \$75.00	<b>Sales Produced</b> \$3,375	<b>Gross</b> \$2,453	<b>GPM</b> 72.7%
<b>Level 2</b>	<b>Flat Rate Wage</b> \$21.00	<b>Hours Worked</b> 40	<b>Weekly Pay</b> \$1,050	<b>Average Productivity</b> 125%	<b>Hours Produced</b> 50.0	<b>ELR</b> \$75.00	<b>Sales Produced</b> \$3,750	<b>Gross</b> \$2,700	<b>GPM</b> 72.0%
<b>Level 3</b>	<b>Flat Rate Wage</b> \$21.50	<b>Hours Worked</b> 40	<b>Weekly Pay</b> \$1,183	<b>Average Productivity</b> 138%	<b>Hours Produced</b> 55.0	<b>ELR</b> \$75.00	<b>Sales Produced</b> \$4,125	<b>Gross</b> \$2,943	<b>GPM</b> 71.3%
<b>Level 4</b>	<b>Flat Rate Wage</b> \$22.00	<b>Hours Worked</b> 40	<b>Weekly Pay</b> \$1,320	<b>Average Productivity</b> 150%	<b>Hours Produced</b> 60.0	<b>ELR</b> \$75.00	<b>Sales Produced</b> \$4,500	<b>Gross</b> \$3,180	<b>GPM</b> 70.7%

# Change #3: Hold a Shop Meeting With All Technicians

Ask the following question:

***“If there was one thing I could do for you to make your job more productive and more enjoyable, what would it be?”***

- Listen to *their* input
- Ask for *their* solutions
- 80/20 Rule

# Change #4: Train Your Advisors How to Sell

- Maintenance *Menus*
- *Walk-Arounds*
- *Inspection* Results

# S.M.A.R.T.

"Scheduled Maintenance At Regular Times" TRAVEL TRAILER / 5th WHEEL

Needed Services	Individual Prices	1 Year	2 Year	3 Year
Winterize Coach, Drain Water Holding Tank, Bypass water heater, Flush with RV Anti-Freeze, Disconnect House Battery	\$109.95	X	X	X
DeWinterize Coach, Connect Water Heater, Flush Fresh Water System, Charge/Test and Reconnect Battery Terminal, Inspect Unit	\$79.95	X	X	X
Check/Adjust Brake and Repack Wheel Bearings (One Axle Trailer)	\$197.10	X	X	X
Check/Adjust Brake and Repack Wheel Bearings (Two Axle Trailer)	\$369.95	X	X	X
Check/Adjust Brake and Repack Wheel Bearings (Three Axle Trailer)	\$499.95	X	X	X
Perform LP System Leak, Pressure Check and Adjust Regulator if Possible	\$59.00	X	X	X
Clean & Adjust Slide-Out Runner, Clean Seals and Condition (3 slide-outs Maximum)	\$177.00	X	X	X
Clean Refrigerator Burner Assy, Test Refrigerator, This requires overnight Stay	\$99.95	X	X	X
Clean & Adjust Range and Oven Burners, Adjust Pilot Light	\$69.00	X	X	X
Inspect Roof Seams, Windows and Vent Seals, Seal Small Voids. (Complete Roof Scrape and Reseal may be required)	\$149.98	X	X	X
Check A/C System Check and Cleaning, Change Filter, Test Drain and Tighten Mounting Bolts	\$94.95	X	X	X
Normal Single Axle Price	\$1,036.88	\$1,036.88	\$2,073.76	\$3,110.64
Package Price		\$899.00	\$1,708.10	\$2,517.20
Savings		\$137.88	\$365.66	\$593.44
Normal Double Axle	\$1,209.73	\$1,209.73	\$2,419.46	\$3,629.19
Package Price		\$999.00	\$1,898.10	\$2,797.20
Savings		\$210.73	\$521.36	\$831.99
Normal Triple Axle Price	\$1,339.73	\$1,339.73	\$2,679.46	\$4,019.19
Package Price		\$1,099.00	\$2,088.10	\$3,077.20
Savings		\$240.73	\$591.36	\$941.99

# Complete a Courtesy RV Health Check for Every Customer

- Why *inspect* every Customer's RV?
- Should you *charge* the customer for the inspection?
- Advise *every* customer on inspection results
- Present an *estimate* for all repairs/services
- Benefits: Increased sales, shop productivity and customer satisfaction (CSI)

# TOP RV DEALER

## 30-Point Coach Inspection

Customer Name: \_\_\_\_\_














































Mileage: \_\_\_\_\_

Vin #: (Last 8)

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### Legend

	Pass
	Needs Future Attention
	Requires Attention Now

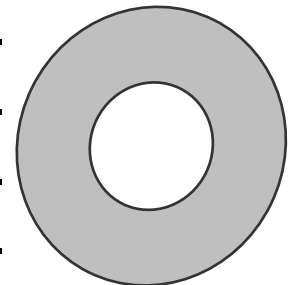
- |   |   |   |   |                                  |
|---|---|---|---|----------------------------------|
|    |    |    | 1. Inspection of Generator for leaks and servicing              |                                  |
|    |    |    | 2. Inspection of Battery Cables & Batteries                     |                                  |
|    |    |    | 3. Inspection of Engine Air Filter (If Accessable)              |                                  |
|    |    |    | 4. Inspection of Wiper Blades (Includes Rear Wiper if Equipped) |                                  |
|    |    |    | 5. Inspection of Antifreeze Coolant                             | _____ F (Temperature Protection) |
|    |    |    | 6. Inspection of Radiator Hoses & Heater Hoses                  |                                  |
|    |    |    | 7. Inspection of Power Steering Fluid, Hoses, & Leaks           |                                  |
|    |    |    | 8. Inspection of Steering/Suspension                            |                                  |
|   |   |   | 9. Inspection of Automatic Transmission Leaks/Fluid             | _____ .                          |
|  |  |  | 10. Inspection of Brake Fluid Condition/Leaks                   |                                  |
|  |  |  | 11. Inspect Coach Leveling System for Leaks/Damage              |                                  |
|  |  |  | 12. Inspection of Front Brake Pads                              | _____ % (Aprox. Remaining)       |
|  |  |  | 13. Inspection of Rear Brake Pads/Shoes                         | _____ % (Aprox. Remaining)       |
|  |  |  | 14. Inspect Step Assembly for Operation/Damage                  |                                  |
|  |  |  | 15. Inspection of Engine Oil Condition/Leaks                    |                                  |



# TOP RV DEALER

## 30-Point Coach Inspection

- |                          |                          |                          |  |              |                       |
|--------------------------|--------------------------|--------------------------|--|--------------|-----------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 16. Visual inspect LP System for Damage              |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 17. Inspection of Shocks/Struts (Oil Leaks)          |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 18. Inspection of Engine Exhaust System              |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 19. Inspect A/C Operation and Filter                 |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 20. Inspection of Emergency Brake Adjustment         |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 21. Inspect Slidouts for Leaks                       |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 22. Inspection of all Exterior Lights                |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 23. Inspection of Gray/Black Holding Tanks for Leaks |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 24. Inspection of Engine Drive Belts                 |              |                       |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 25. Inspection of Right Front Tire                   | Tread Depth: | <u>          </u> /32 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 26. Inspection of Left Front Tire                    | Tread Depth: | <u>          </u> /32 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 27. Inspection of Right Rear Tire (inner)            | Tread Depth: | <u>          </u> /32 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 28. Inspection of Left Rear Tire (inner)             | Tread Depth: | <u>          </u> /32 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 29. Inspection of Right Rear Tire (outer)            | Tread Depth: | <u>          </u> /32 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 30. Inspection of Left Rear Tire (outer)             | Tread Depth: | <u>          </u> /32 |



# What is a RV Service Advisor Worth? (Actual Dealer)

A.	# of RO's per Day	3
B.	Average HPRO	5
C.	Total Hours per Day (A X B)	15
D.	Retail Labor Rate	\$95
E.	Total Labor Sales per Day (C X D)	\$1425
F.	Labor Gross Profit % of Sales	75%
G.	<b>TOTAL LABOR GROSS PROFIT (E X F)</b>	<b>\$1069</b>
H.	Parts to Labor Ratio	60%
I.	Total Parts Sales per Day (E X H)	\$855
J.	Parts Gross Profit % of Sales	35%
K.	<b>TOTAL PARTS GROSS PROFIT (K X L)</b>	<b>\$299</b>
L.	<b>TOTAL GROSS PER ADVISOR PER DAY</b>	<b>\$1368</b>

# What is a RV Service Advisor Worth?

## Let's Compare to a Salesperson

	<u>Monthly</u>	<u>Annually</u>
Average # Units Sold	4	48
Average Gross Per Retail unit @ \$7,165	\$28,660	\$343,920
Average # Service Customers Sold	61	732
Average Gross Profit per Advisor	\$36,188	\$434,256

### Question?

*WHO gets the Most Sales Training?*

Answer: **Salespeople**

### Question?

*WHO has the most Sales Opportunities*

Answer: **Service Advisors**

***A Salesperson must sell 5 Units per month to match the performance of this RVDealerPRO Service Advisor***

**Isn't it about time to start giving your Advisors the Training Support they deserve?**

# Change #5: Support the Parts Team

- **Inspect** RV when it arrives to get parts on order.
- **Don't wait** until you're ready to start the repair process to order the parts.
- **Primary Mission** of a Parts Department is to deliver the parts to the Technicians in the shortest amount of time possible.



*The Don Reed  
PRO Training Network*



**Are you ready for  
*Change?***