



Garry House &  
Associates Co.

## Service Department Monthly Productivity and Compensation Analysis

Central City Imports - Summary, Before and After Re-Organization

Control Category (Description)	Before Re-Org	After Re-Org
Customers Per Month	1,200	1,350
Customers Per Day	57	64
C-P and Warranty Hours Billed	1,680	1,725
Express Service Hours Billed	N/A	315
Internal Hours Billed	600	600
Total Mechanical Service Hours	2,280	2,640
Total Hours Per Customer (Excludes Internal)	1.40	1.51
C-P, Express, and Warranty Labor Sales	\$147,000	\$181,913
Internal Labor Sales	\$45,000	\$45,000
Advisor (and Parts Incentive) Compensation Amount	\$23,418	\$30,999
Advisor (and Parts Incentive) Compensation %	12.29%	12.22%
<b>Total Monthly Labor Sales (All Categories)</b>	<b>\$192,000</b>	<b>\$226,913</b>
Blended Effective Labor Rate	\$84.21	\$85.95
<b>Total Monthly Labor Gross (All Categories)</b>	<b>\$130,560</b>	<b>\$164,218</b>
Labor Gross Profit Margin	68.00%	72.37%
<b>Total Parts Sales (All Service R.O. Categories)</b>	<b>\$164,400</b>	<b>\$223,425</b>
Parts-to-Labor Ratio	0.856	0.985
<b>Total Parts Gross (All Service R.O. Categories)</b>	<b>\$60,006</b>	<b>\$89,370</b>
Parts Gross Profit Margin	36.50%	40.00%
<b>Total Attributable Gross Profit</b>	<b>\$190,566</b>	<b>\$253,588</b>
Ratio of Attributable Gross-to-Labor Sales	0.993	1.118
Increase in Attributable Gross Profit		\$63,022
<b>Total Sales &amp; Management Compensation Amount</b>	<b>\$34,516</b>	<b>\$49,063</b>
<b>Total Sales &amp; Management Compensation %</b>	<b>18.11%</b>	<b>19.35%</b>
<b>Total Monthly Variable Net Profit (TVN)</b>	<b>\$156,050</b>	<b>\$204,525</b>
<i>Improvement in Monthly Variable Net</i>		<b>\$48,475</b>

Chart 2 - Case Study - Central City Imports