 

Managing by the Numbers Worksheet

**Formula’s**

**Calculations for the Service Department:**

**Recovery Rate**: Billed hours/Paid hours

**Tech Efficiency**: Billed hours/Actual time on work orders

**Average Completion Time**: Actual time on work orders/Number of work orders represented

**Calculations for Parts Department:**

**Fill Rate out of stocking inventory**: Total parts sales-(lost sales + special orders +emergency orders)/total parts sales

**Gross Profit Margin**: Total cost of goods sold/ Total parts sales

**Average transaction time**: Total customers at parts counter/Total time need to complete all the transactions

**Average transaction value**: Total parts sales/Total transactions

**Calculations for Wholegoods:**

**Closing Ratio**: Sales transactions/Total customer contacts

**Average value of a contact**: Total sales/ Total customer contacts

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Question for Service**:

Bob mentioned four things that your recovery rate reveals, what have you discovered based on your recovery rate? What are you going to do to fix it?

**Question for Parts**:

What is your current transaction time? What needs to happen to reduce transaction time?

**Question for Wholegoods:**

What is the closing ratio for your sales team? If it is low, what type of training do you need to pursue for your team?