

# 2023

DEALERSHIP  
WORKFORCE  
STUDY

2022 CALENDAR YEAR DATA

Automotive Retail:

## NATIONAL & REGIONAL TRENDS IN COMPENSATION, BENEFITS & RETENTION REPORT

COMPENSATION | RETENTION & TURNOVER | REGIONAL ANALYSIS | DEMOGRAPHICS | LUXURY VS. NON-LUXURY

# Sample Pages Only



NATIONAL AUTOMOBILE DEALERS ASSOCIATION  
nadaworkforcestudy.com | 800.557.6232

## II. Executive Summary

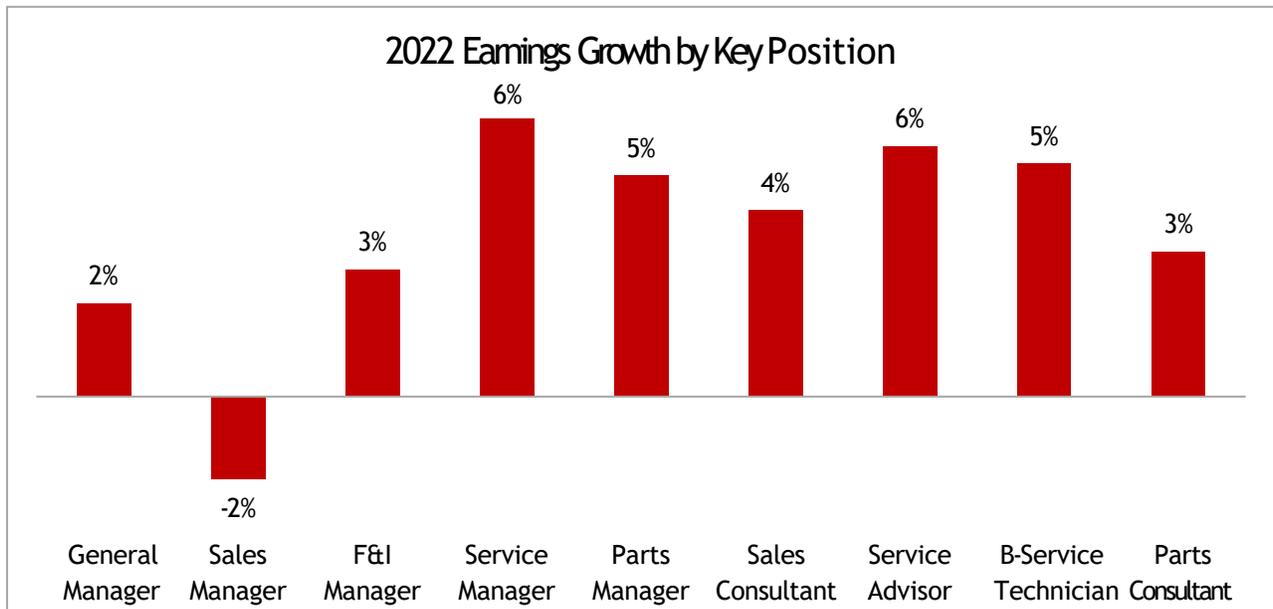
After the unusual economic and market conditions of the last two years, 2022 represented a shift toward normalcy for America’s franchised dealership workforce.

- The 2022 average weekly earnings in participating dealerships increased three percent after a 27 percent increase in 2021.
- Similar levels of increase were seen in Same Stores and Same Employee average and median weekly earnings.
- While 2022 earnings growth returned to pre-Pandemic levels, they did not keep pace with the eight percent rate of inflation.
- Weekly earnings in the U.S. Private Sector<sup>1</sup> grew at a slightly faster pace than dealership weekly earnings.
- Dealership median earnings in 2022 were still 38 percent higher than the U.S. private sector median earnings.

Data Source	Average Weekly Earnings			Median Weekly Earnings		
	2021	2022	Growth	2021	2022	Growth
All DWS Dealerships	\$1,987	\$2,045	↑ 3%	\$1,392	\$1,461	↑ 5%
DWS Same Stores	\$2,026	\$2,071	↑ 2%	\$1,428	\$1,483	↑ 4%
DWS Same Employees	\$2,126	\$2,218	↑ 4%	\$1,450	\$1,551	↑ 7%
BLS U.S. Private Sector	\$1,063	\$1,114	↑ 5%	\$988	\$1,059	↑ 7%

In 2021 the double-digit growth rates in general manager and sales position earnings were driven by higher prices and higher gross profit due to inventory challenges. While inventory of new vehicles increased during 2022 earnings growth cooled in most sales positions.

- The 2021 jump in average weekly earnings in sales and F&I was maintained but additional earnings growth in 2022 was on the lower side of normal.
- 2022 average weekly earnings growth in service and parts positions dropped by several percentage points compared to 2021 but kept pace with 2022 earnings growth in the U.S. non-farm private sector.



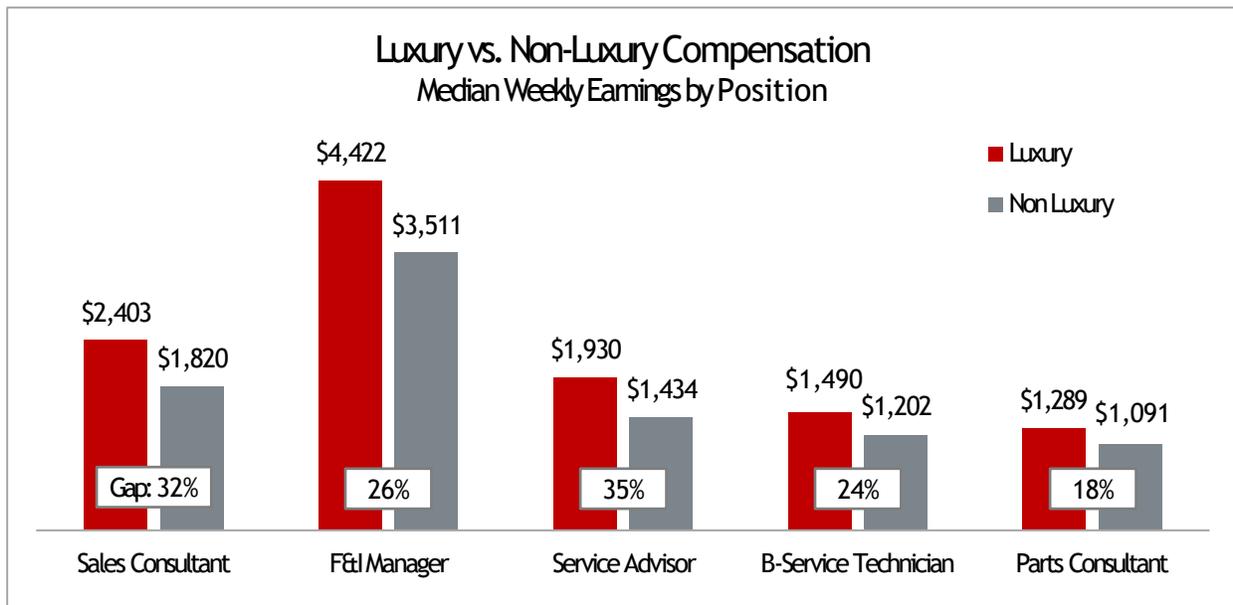
<sup>1</sup> U.S. Bureau of Labor Statistics (BLS) 2022 weekly earnings of all non-farm private sector full-time wage and salary workers.

	Average Annual Earnings			Median Annual Earnings		
	2021	2022	Growth	2021	2022	Growth
<b>All Positions</b>	<b>\$103,313</b>	<b>\$106,330</b>	<b>↑ 3%</b>	<b>\$72,372</b>	<b>\$75,947</b>	<b>↑ 5%</b>
General Manager/Operator	\$629,068	\$642,733	↑ 2%	\$515,712	\$497,346	↓ -4%
Sales Manager	\$223,085	\$218,788	↓ -2%	\$207,960	\$200,872	↓ -3%
F&I Manager	\$200,472	\$206,425	↑ 3%	\$184,915	\$191,496	↑ 4%
Service Manager	\$143,221	\$152,507	↑ 6%	\$131,264	\$141,566	↑ 8%
Parts Manager	\$112,876	\$118,704	↑ 5%	\$101,686	\$106,720	↑ 5%
Sales Consultant	\$111,465	\$116,307	↑ 4%	\$97,670	\$100,483	↑ 3%
Service Advisor/Writer	\$81,943	\$86,732	↑ 6%	\$76,109	\$80,687	↑ 6%
Service B-Technician	\$70,628	\$74,472	↑ 5%	\$64,580	\$67,190	↑ 4%
Parts Consultant	\$59,290	\$61,293	↑ 3%	\$56,337	\$59,263	↑ 5%

Median weekly earnings in luxury franchised dealerships increased at a slightly faster rate than in non-luxury franchised dealerships in 2022. As a result, the median earnings in luxury dealerships in 2022 were 22 percent higher than median earnings in non-luxury dealerships compared to 20 percent higher in 2021.

Data Source	Non-Luxury Median Weekly Earnings			Luxury Median Weekly Earnings		
	2021	2022	Growth	2021	2022	Growth
<b>All DWS Dealership</b>	<b>\$1,330</b>	<b>\$1,389</b>	<b>↑ 4%</b>	<b>\$1,603</b>	<b>\$1,692</b>	<b>↑ 6%</b>
DWS Same Stores	\$1,340	\$1,399	↑ 4%	\$1,627	\$1,717	↑ 5%
DWS Same Employees	\$1,386	\$1,468	↑ 6%	\$1,754	\$1,921	↑ 10%

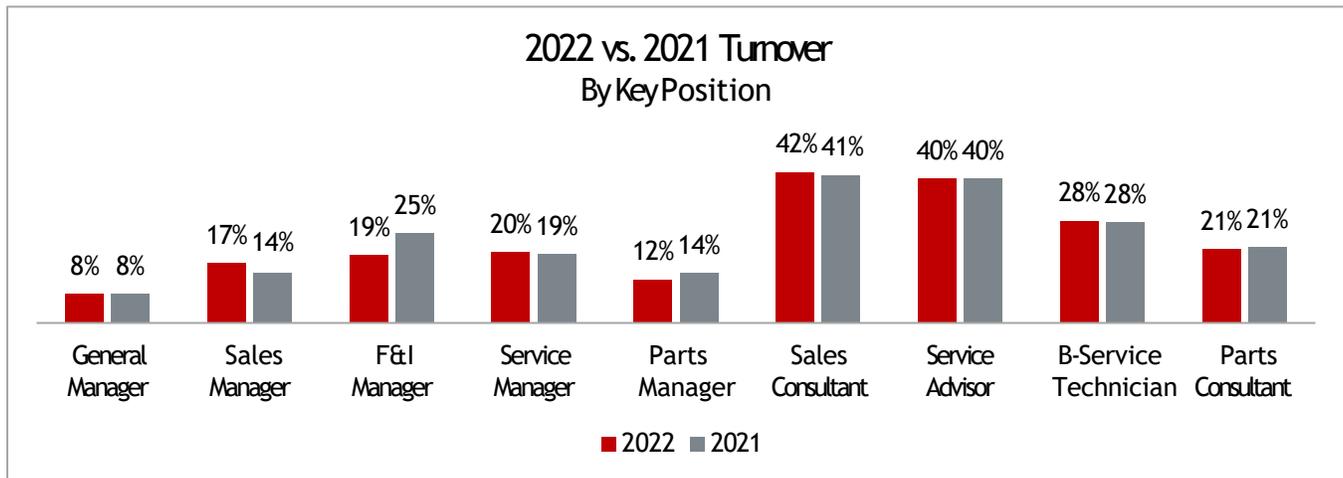
The differences in median weekly earnings between luxury and non-luxury franchised dealerships vary significantly by job title. The gap in weekly earnings is greatest between service advisors and sales consultants.



## 2022 Total Turnover and Retention

After dropping 12 points to the lowest level seen in over a decade, the 2022 annualized turnover for all positions and titles dropped another point to 33 percent. One-year retention increased one point while three-year retention dropped one point.

National Retention and Turnover - All Dealerships				
	Annualized Turnover	1-Year Retention	3-Year Retention	Median Tenure (years)
All Positions	33% ↓ 1%	74% ↑ 1%	49% ↓ 1%	2.9 ----
All Non-Luxury Positions	36% ↓ 1%	73% ↑ 1%	48% ↓ 1%	2.7 ↓ 0.1
All Luxury Positions	25% 0%	77% 0%	52% ↓ 2%	3.3 ↓ 0.2



Annualized turnover in sales and F&I managers continued to improve in 2022 while all other key positions were relatively unchanged. Retention and tenure in sales and F&I positions improved year-over-year while retention and tenure declined in all the fixed operations job titles.

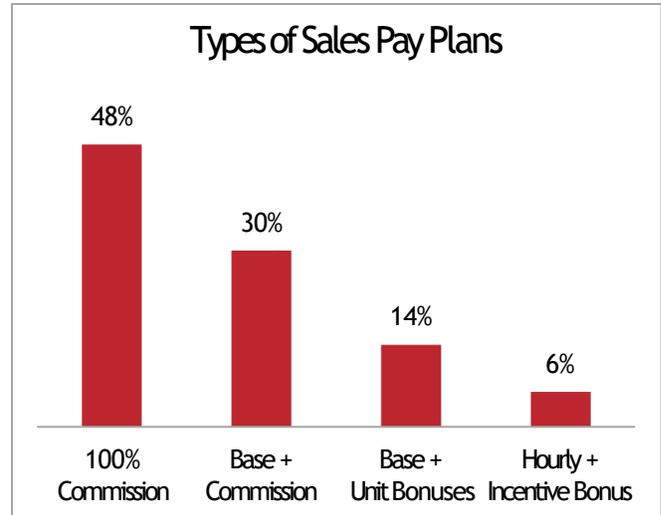
National Retention and Turnover - All Dealerships				
	Annualized Turnover	1-Year Retention	3-Year Retention	Median Tenure (years)
All Positions	33% ↓ 1%	74% ↑ 1%	49% ↓ 1%	2.9 ----
General Manager/Operator	8% 0%	96% 0%	84% ↑ 3%	9.7 ↑ 0.5
Sales Manager	17% ↓ 2%	90% 0%	71% ↑ 4%	5.3 ↑ 0.5
F&I Manager	19% ↓ 6%	87% ↑ 3%	61% ↑ 3%	4.0 ↑ 0.3
Service Manager	20% ↑ 1%	87% ↓ 1%	68% ↓ 2%	5.8 ↓ 0.2
Parts Manager	12% ↓ 2%	92% 0%	77% ↓ 2%	9.3 ↓ 0.6
Sales Consultant	42% ↑ 1%	74% ↑ 3%	44% ↑ 4%	2.4 ↑ 0.2
Service Advisor/Writer	40% 0%	70% ↓ 1%	43% ↓ 2%	2.2 ↓ 0.3
Service B-Technician	28% 0%	78% ↓ 1%	53% ↓ 3%	3.3 ↓ 0.4
Parts Consultant	21% 0%	80% ↓ 1%	55% ↓ 6%	3.8 ↓ 0.8

## Pay Plans and Incentives

### Sales Consultants

Although dealerships are slowly moving away from commission-based pay plans for sales consultants, a significant number of the Study participants are still using 100 percent commission-based pay plans.

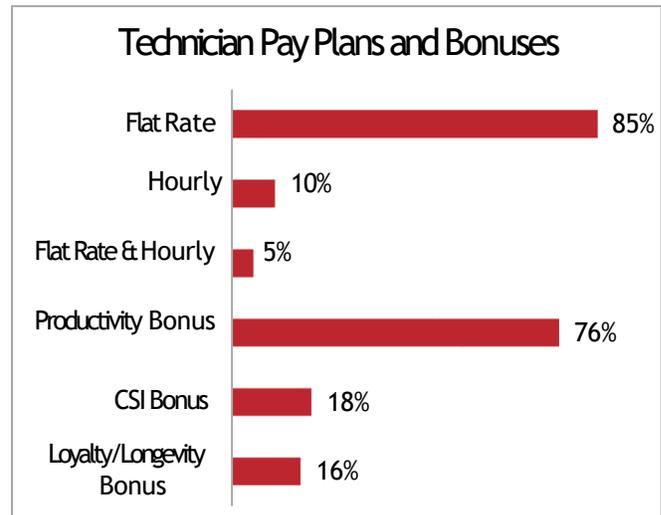
- Seventy-eight percent of the Study participants are using commission-based pay plans.
- Only eight percent of the participants are paying new hires in training 100 percent commission-based pay.
- Twenty-nine percent of the Study participants are using base salary plus commission-based pay plans during training.
- The rest of the Study participants (63 percent) provide a broad range of fixed or guaranteed rates of daily, weekly, or semi-monthly pay.
- The length of guaranteed pay ranges from 30 to 90 days.
- Nearly all the participants include some type of performance-based incentive pay during training.



### Service Technicians

We asked the Study Participants how they pay their A- and B-Service Technicians. While 85 percent checked off Flat Rate and 10 percent checked off Hourly, another five percent offer both types of pay plans.

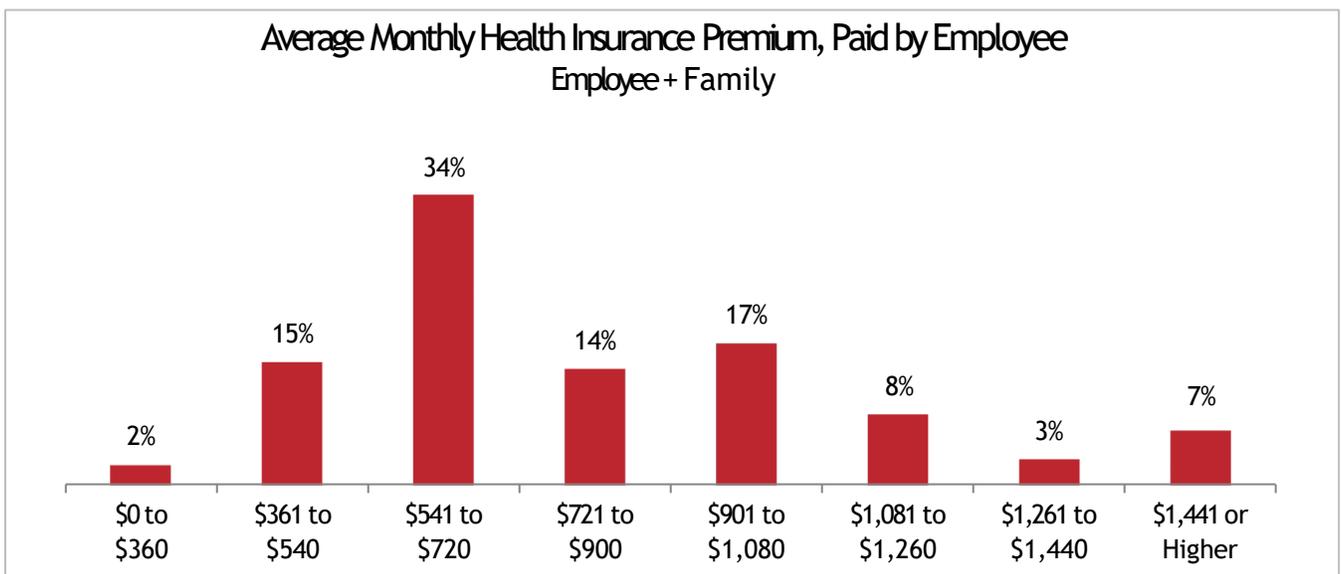
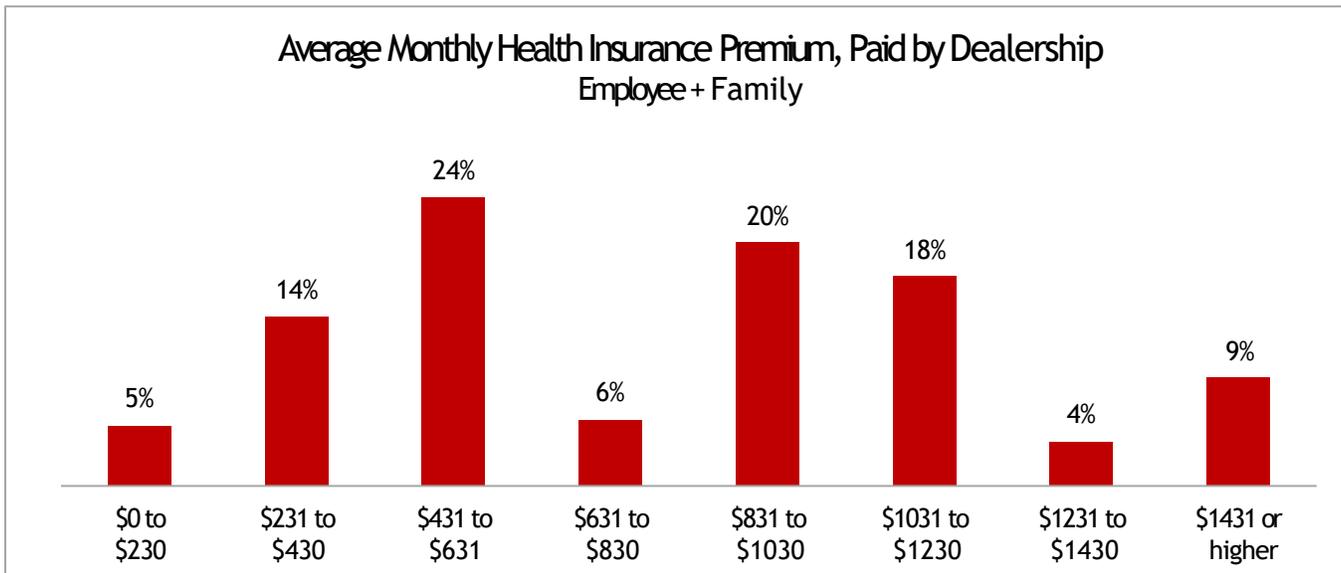
- Seventy-six percent of the pay plans include weekly or monthly productivity or proficiency bonuses.
- Eighteen percent of the participants pay their technicians CSI bonuses.
- Sixteen percent of the participants pay their technicians quarterly or annual loyalty or longevity bonuses as a retention incentive.
- Other types of compensation mentioned include bonuses for team leader, training, mentoring, upselling, parts sales, technician referrals, and profit sharing.



## IV. Employee Benefit Programs

### Health and Medical Benefits

- One hundred percent of all dealerships now offer Employee + Family health insurance plans.
- In 2022 only 62 percent of benefits-eligible employees were enrolled in a dealership health insurance plan which represents no change since last year.
- The average waiting period for health insurance benefits increased slightly from 45 days in 2021 to 48 days in 2022.
- On average, dealerships are paying 55 to 60 percent of the monthly employee-only health insurance premium and 30 to 35 percent of employee + family health insurance premiums.



## REGION 1 NEW ENGLAND

Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont



### Region 1 New England

- The New England region's all-dealership, all-position average compensation of \$110,480 was four percent higher than the national average of \$106,330.
- The region's non-luxury dealership, all-positions average compensation of \$101,737 was statistically equal to the non-luxury national average of \$101,552.
- The region's luxury dealership, all-positions average compensation of \$124,351 was three percent higher than the luxury national average of \$120,516.

Region 1: New England - All Dealerships								
	Overall Region Average	Year Over Year Change	Average as % of National	Low Volume	Medium Volume	High Volume	National All-Dealer Average	
All Positions	\$110,480	↑ 9%	104%	\$107,555	\$115,598	\$105,488	\$106,330	
General Manager/Operator	\$546,620	↑ 9%	85%	\$427,999	\$650,754	\$625,399	\$642,733	
Sales Manager	\$214,511	↓ -4%	98%	\$195,696	\$230,884	\$210,222	\$218,788	
F&I Manager	\$225,166	↑ 7%	109%	\$211,516	\$238,185	\$221,050	\$206,425	
Service Manager	\$157,237	↑ 19%	103%	\$149,652	\$162,653	\$164,393	\$152,507	
Parts Manager	\$118,011	↑ 15%	99%	\$90,438	\$109,929	\$132,436	\$118,704	
Sales Consultant	\$122,271	↑ 9%	105%	\$124,179	\$124,154	\$116,603	\$116,307	
Service Advisor/Writer	\$98,199	↑ 17%	113%	\$97,756	\$100,985	\$94,176	\$86,732	
Service B-Technician	\$81,902	↑ 20%	110%	\$84,510	\$82,914	\$76,574	\$74,472	
Parts Consultant	\$66,341	↑ 17%	108%	\$66,925	\$67,781	\$62,252	\$61,293	

(↑) Represent year-over-year increases or favorable changes; (↓) represent unfavorable changes.

# REGION 1

## NEW ENGLAND

Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont



### Region 1 New England

Region 1: New England - All Dealerships						
	Annualized Turnover	Year Over Year Change		One Year Retention	Three Year Retention	Median Tenure
<b>All Positions</b>	<b>31%</b>		<b>0%</b>	<b>77%</b>	<b>56%</b>	<b>3.9</b>
General Manager/Operator	13%	↑	-10%	99%	91%	11.6
Sales Manager	19%	↑	-9%	92%	77%	6.4
F&I Manager	22%	↑	-2%	89%	70%	5.2
Service Manager	27%	↓	2%	87%	72%	6.0
Parts Manager	21%	↑	-3%	90%	81%	11.2
Sales Consultant	28%	↓	4%	82%	56%	3.6
Service Advisor/Writer	37%	↓	3%	70%	49%	2.8
Service B-Technician	25%	↓	3%	81%	57%	3.9
Parts Consultant	30%	↑	-3%	78%	55%	4.1

(↓) Represent year-over-year decreases or favorable changes; (↑) represent unfavorable changes.