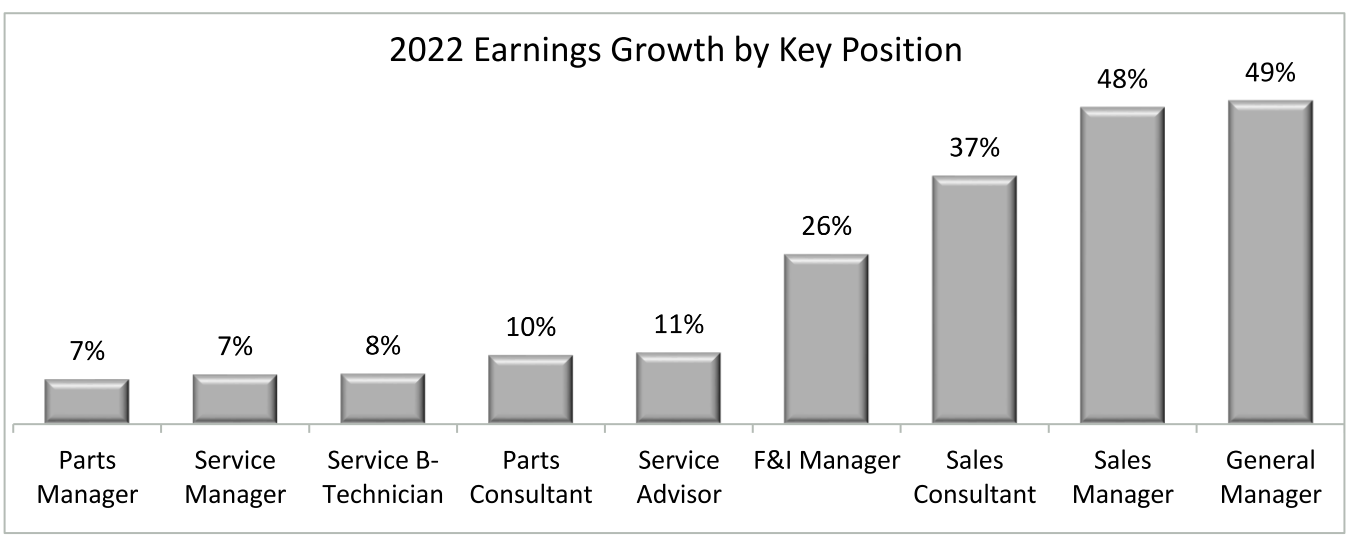
Summary – Looking Back on 2022

The inventory challenges faced by dealerships in 2022 created a year like no other in terms of workforce metrics and key trends.

- 2022 average weekly earnings in participating dealerships increased **15**% compared to 2021.
- The same levels of increase were seen in *Same Stores* and *Same Employee* average earnings.
- Dealership median earnings in 2022 were **41**% higher than the US private sector median earnings which was a **20-**point year-over-year increase.

	Average Weekly Earnings			Median Weekly Earnings		
Data Source	**2021**	**2022**	**Growth**	**2021**	**2022**	**Growth**
All DWS Dealerships	$1,554	$1,987	↑ 15%	$1,181	$1,392	↑ 18%
DWS Same Stores	$1,565	$2,026	↑ 29%	$1,179	$1,428	↑ 21%
DWS Same Employees	$1,665	$2,126	↑ 28%	$1,245	$1,450	↑ 17%
BLS U.S. Private Sector[1]	$1,014	$1,063	↑4.8%	$966	$988	↑3.3%

Since increased earnings were driven by higher prices and gross profit on new and used vehicles, nearly all the double-digit growth rates were in Sales.



[1] US BLS – 2022 Median weekly earnings of all private sector full-time wage and salary workers based on an average of 1st and 4th quarters.

Earnings Growth Comparison – All Positions

In 2022, average weekly earnings growth of 27 percent in new-car dealerships was significantly higher than average earnings growth in the U.S. non-farm private sector. Median weekly income of $1,392 in 2022 increased at a slower rate of 116 percent but was still 3 percent higher than the median weekly earnings of $988 for the U.S. non-farm private sector workforce. Wage growth in the U.S. non-farm private sector was less than three percent.

	Average Weekly Earnings			Median Weekly Earnings		
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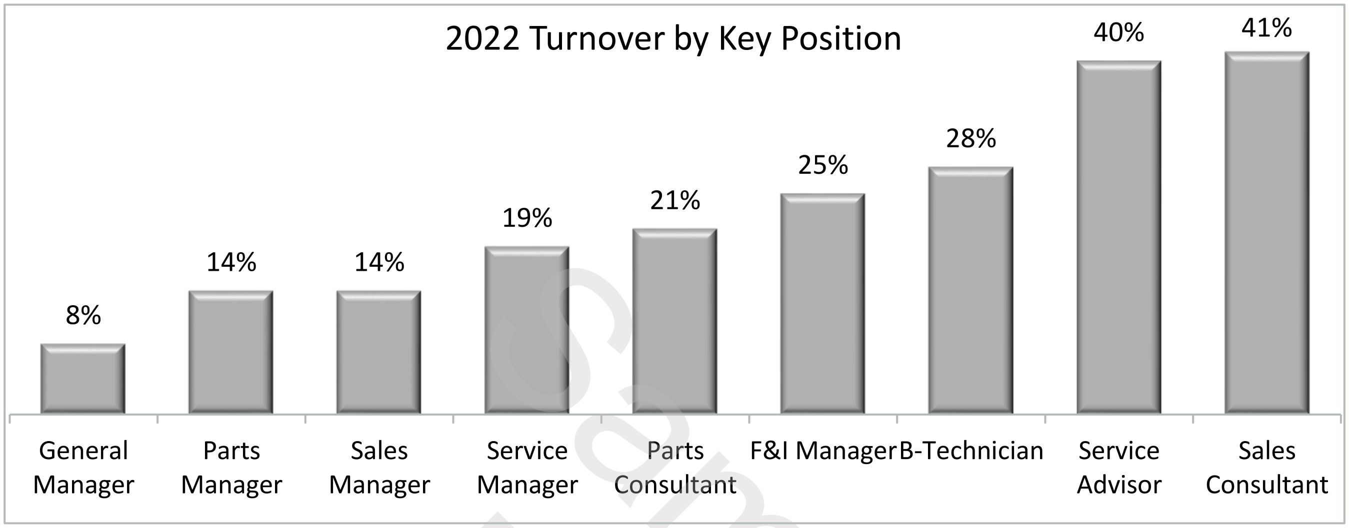
The all-position, all-participants national average annual earnings increased 27 percent to $103,313. All the key dealership positions saw increases in annual earnings. Since increased earnings were driven by higher retail prices and gross profit on new and used vehicles, nearly all the double-digit growth rates were in Sales.

All Car Dealers	Average Annual Earnings			Median Annual Earnings		
Position	**2021**	**2022**	**Growth**	**2021**	**2022**	**Growth**
All Positions	$80,825	$103,313	↑ 27%	$61,389	$72,372	↑ 18%
General Manager/Operator	$423,179	$629,068	↑ 49%	$332,484	$515,712	↑ 55%
Sales Manager	$151,075	$223,085	↑ 48%	$141,858	$207,960	↑ 47%
F&I Manager	$159,618	$200,472	↑ 26%	$148,729	$184,915	↑ 24%
Service Manager	$133,260	$143,221	↑ 7%	$125,152	$131,264	↑ 5%
Parts Manager	$105,701	$112,876	↑ 7%	$96,394	$101,686	↑ 5%
Sales Consultant	$81,150	$111,465	↑ 37%	$70,976	$97,670	↑ 38%
Service Advisor/Writer	$74,014	$81,943	↑ 11%	$69,284	$76,109	↑ 10%
B-Service Technician	$65,661	$70,628	↑ 8%	$60,553	$64,580	↑ 7%
Parts Consultant	$53,747	$59,290	↑ 10%	$51,322	$56,337	↑ 10%

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

Summary – Looking Back on 2022



National Retention and Turnover – Cars – All Dealerships					
Position	Annualized Turnover	Year/Year Change	1-Year Retention	3-Year Retention	Median Tenure
All Positions	**34%**	**↓12%**	**73%**	**50%**	**2.9**
General Manager/Operator	8%	↓5%	96%	81%	9.2
Sales Manager	14%	↓12%	90%	66%	4.8
F&I Manager	25%	↓9%	84%	58%	3.7
Service Manager	19%	↓5%	88%	70%	6.0
Parts Manager	14%	↓1%	92%	79%	9.9
Sales Consultant	41%	↓26%	71%	40%	2.2
Service Advisor/Writer	40%	↓5%	71%	45%	2.5
B-Service Technician	28%	↓2%	79%	56%	3.7
Parts Consultant	21%	↓6%	81%	61%	4.6

Retention and Turnover Trends

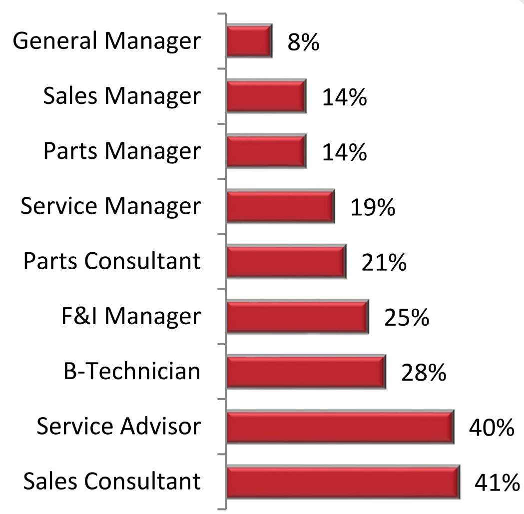
Annualized employee turnover in 2022 dropped to the lowest level seen in the 11 years since NADA introduced the Workforce Study.

- Total turnover dropped 12 points from 46% in 2021 to 34% in 2022 due to a 26-point drop in sales consultant turnover.
- Turnover decreased across all nine key job titles.
- Employee retention and median tenure dropped several points compared to 2022 but show significant improvement over 2021.

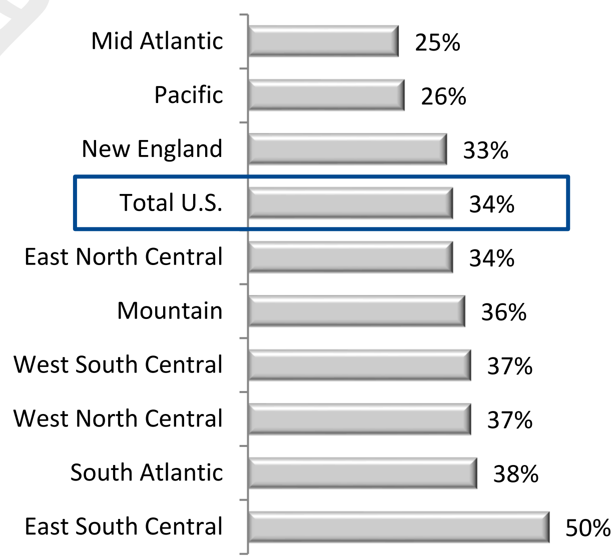
The 2022 BLS estimate of employee turnover (total separations) in the non-farm private sector was 47 percent – a 10-point decrease compared to 2021.[2]

NATIONAL RETENTION AND TURNOVER – CARS – ALL DEALERSHIPS					
Position	Annualized Turnover	Year/Year Change	1-Year Retention	3-Year Retention	Median Tenure
All Positions	**34%**	↓**12%**	**73%**	**50%**	**2.9**
All Non-Luxury Positions	36%	↓13%	73%	49%	2.8
All Luxury Positions	25%	↓13%	77%	54%	3.5

Employee Turnover
By Key Position



Employee Turnover
By Region



2 U.S. Bureau of Labor Statistics - Job Openings and Labor Turnover Survey Data 2022.

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NATIONAL AUTOMOBILE DEALERS ASSOCIATION

DEALERSHIP WORKFORCE STUDY

REGION 1

NEW ENGLAND

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

Compensation statistics of interest:

The New England region’s all-dealerships, all-positions average compensation of $75,407 was seven percent lower than the national average of $80,825. With a 15 percent difference ($12,284) between the lowest regional average and the highest, New England ranked seventh of the nine regions in overall compensation.

One out of nine key dealership positions earned incomes equal to or higher than their respective national averages; eight of the key positions didn’t exceed national all-dealer averages (Figure 1).

Sales managers in non-luxury dealerships had the highest income growth; five of the nine key positions saw income decline. (Figure 2).

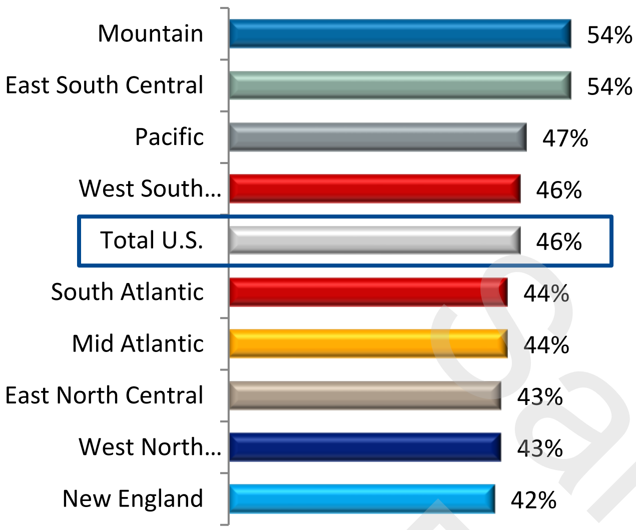
Only one key position in luxury dealerships had income growth; one of the key positions saw income decline by 26 percent (Figure 3).

REGION 1: NEW ENGLAND – CARS – ALL DEALERSHIPS (FIGURE 1)

Position	Overall Region Average	Year Over Year Change	Average as % of National	Low Volume	Medium Volume	High Volume	National All-Dealer Average
All Positions	**$75,407**	**↓5%**	**93%**	**$76,434**	**$75,853**	**$72,495**	**$80,825**
General Manager/Operator	$269,903	↓ 9%	64%	$76,434	$323,363	$76,434	$423,179
Sales Manager	$145,980	↑ 11%	97%	$160,649	$142,006	$76,434	$151,075
F&I Manager	$138,941	↓ 16%	87%	$142,345	$146,936	$125,403	$159,618
Service Manager	$132,279	↑ 7%	99%	$146,430	$123,120	$76,434	$133,260
Parts Manager	$95,668	↓13%	91%	$96,653	$91,818	$76,434	$105,701
Sales Consultant	$78,887	↑ 2%	97%	$81,756	$82,533	$68,982	$81,150
Service Advisor/Writer	$66,993	↓16%	91%	$68,886	$66,415	$66,551	$74,014
B-Technician	$60,903	↑8%	93%	$56,688	$61,891	$62,354	$65,661
Parts Consultant	$55,556	↓2%	103%	$56,674	$55,560	$76,434	$53,747

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

Total Employee Turnover
By Region



Turnover varied significantly by region from a high of 54 percent in the East South Central and Mountain regions to a low of 42 percent in the New England region.

NATIONAL RETENTION AND TURNOVER – CARS – ALL DEALERSHIPS					
Position	**Annualized Turnover**	**Year Over Year Change**	**One Year Retention**	**Three Year Retention**	**Median Tenure**
All Positions	**46%**	**0%**	**77%**	**51%**	**3.1**
General Manager/Operator	13%	↓6%	93%	79%	11.6
Sales Manager	26%	↓7%	85%	62%	4.5
F&I Manager	34%	↓7%	82%	56%	3.6
Service Manager	24%	0%	88%	70%	6.0
Parts Manager	15%	↑2%	93%	81%	10.9
Sales Consultant	67%	↓13%	69%	39%	2.1
Service Advisor/Writer	45%	↓3%	76%	47%	2.7
B-Service Technician	30%	↑2%	84%	60%	4.0
Parts Consultant	27%	↑5%	85%	65%	5.1

(↓) Represent year-over-year <u>decreases</u> or *favorable* changes; (↑) represent unfavorable changes

Staffing reductions led to significant increases in employee retention rates and median tenure. Median tenure increased from 2.5 to 3.1 years. One-year retention increased five points to 77 percent and three-year retention increased five points to 51 percent.

NATIONAL AUTOMOBILE DEALERS ASSOCIATION

DEALERSHIP WORKFORCE STUDY

REGION 5

SOUTH ATLANTIC

Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia and West Virginia

Retention and turnover statistics of interest:

- South Atlantic annualized turnover rate for all positions in all dealerships decreased three points to 44 percent, two points higher than the national all-dealership turnover rate of 46 percent and 13 points lower than the non-farm private-sector rate of 57 percent (Figure 1).
- At 51 percent, three-year retention was the same as the national all-dealerships average. (Figure 1).
- Sales consultants in the all dealership average saw annual turnover decrease 12 points to 69 percent. Sales consultants in non-luxury dealerships saw their turnover decrease 14 points to 77 percent (Figures 1 and 2).
- Non-luxury dealership turnover decreased 5 points to 48 percent; three-year retention and median tenure were slightly lower than the national non-luxury averages (Figure 2).
- Luxury dealership turnover increased 2 points at 33 percent; three-year retention and median tenure were higher than the national luxury average (Figure 3).

REGION 5: SOUTH ATLANTIC – CARS – ALL DEALERSHIPS (FIGURE 1)

Position	Annualized Turnover	Year Over Year Change	One Year Retention	Three Year Retention	Median Tenure
All Positions	**44%**	**↓ 3%**	**77%**	**51%**	**3.1**
General Manager/Operator	10%	↓ 10%	95%	78%	9.9
Sales Manager	24%	↓ 14%	85%	59%	4.2
F&I Manager	28%	↓ 17%	84%	57%	3.7
Service Manager	22%	↓ 3%	90%	69%	6.1
Parts Manager	9%	↓ 3%	93%	82%	11.4
Sales Consultant	69%	↓ 12%	67%	38%	1.9
Service Advisor/Writer	42%	↓ 9%	77%	47%	2.7
B-Service Technician	28%	0%	85%	59%	4.0
Parts Consultant	22%	0%	86%	66%	5.2

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

NATIONAL AUTOMOBILE DEALERS ASSOCIATION

DEALERSHIP WORKFORCE STUDY

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