

2025

DEALERSHIP
WORKFORCE
STUDY

2024 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 From 2025 Report



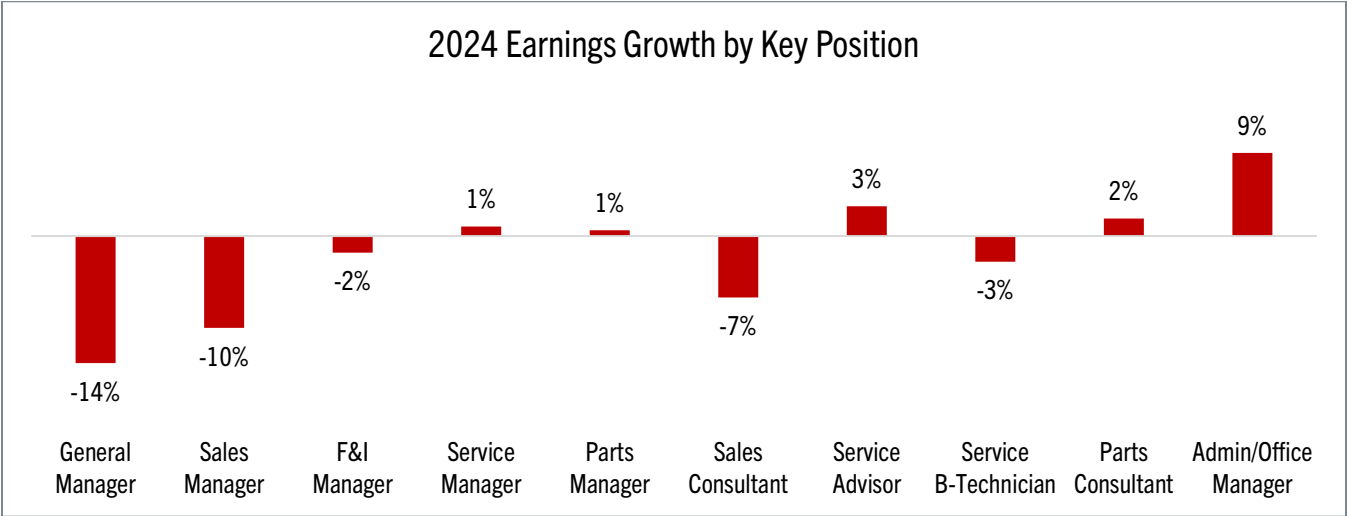
NATIONAL AUTOMOBILE DEALERS ASSOCIATION
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II. Executive Summary

Market Headwinds Persist as Fixed Operations Provide the Only Stability for Many Dealers

Persistent inflation and high interest rates continued to erode purchasing power for a second year, extending ownership cycles and reducing showroom traffic. With new vehicle loan rates surpassing 9.5%, consumers delayed purchases or migrated to used vehicles. Meanwhile, inventory swelled to 81 days' supply by October.

This combination triggered higher OEM incentives and drove variable gross profits to multi-year lows. Fixed Operations became the only bright spot, with slight 2024 growth helping offset significant variable operations losses.



The annualized inflation rate in 2024 as measured by the U.S. Consumer Price Index (CPI) was 2.9 percent.¹ With the exception of Service Advisors and Office Manager, the rate of inflation exceeded average earnings growth in all the key job titles in Sales and all Fixed Operations positions.

While earnings were down for many of the positions in the 2024, it's important to note that dealership median earnings were still 26% higher in 2024 than the U.S. private sector median earnings. Overall median earnings in the Private Sector were up 4.1% from 2023.

¹ U.S. BLS, *The Economics Daily*, Consumer Price Index: 2024 in Review [U.S. Bureau of Labor Statistics, 2024 in Review](#)

V. Dealership Compensation in 2024

The compensation analysis and trends in this section discuss all-participant data, same-stores data, and same employees' data. "Same stores" data is from 1,713 Study participants who also participated last year. Seventy-one percent of this year's participants also participated last year.

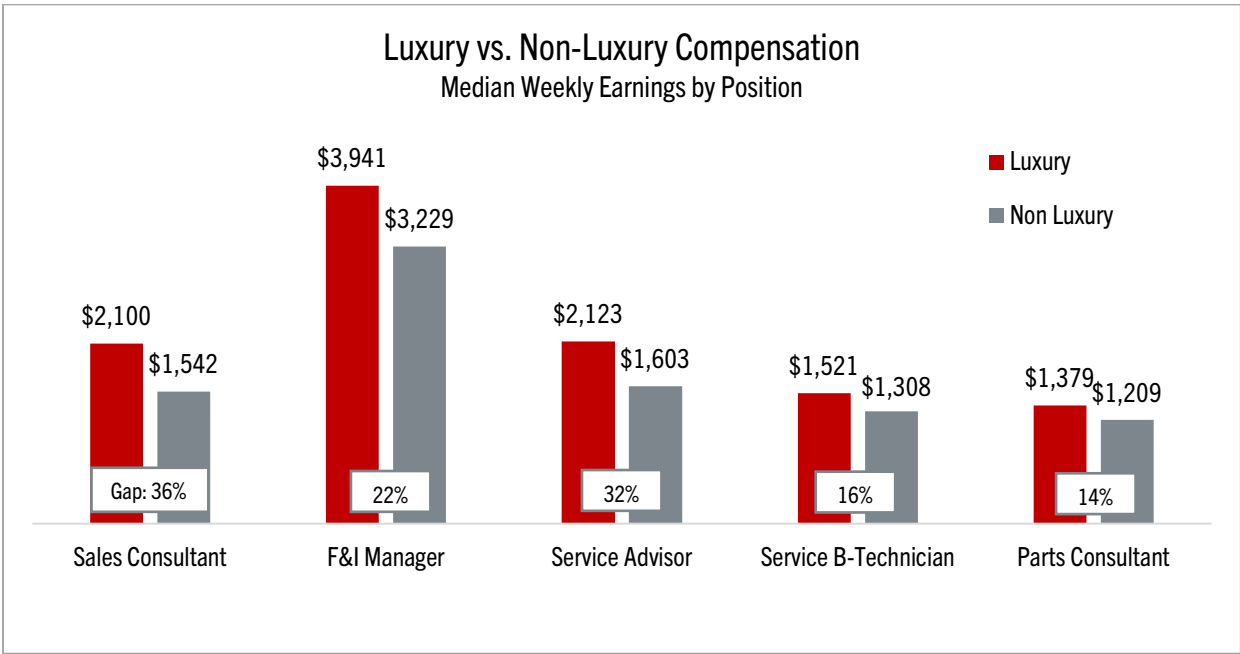
When we compare earnings growth, median earnings provide a more accurate picture of what is happening with most of the workforce. The industry's heavy emphasis on commission sales and performance-based pay plans creates situations where some employees can earn several times more than their peers. While we try to adjust for statistical outliers, unusually high performers inflate average earnings.

Non-Luxury Compared to Luxury Compensation

Earnings in luxury dealerships tend to be significantly higher than earnings in non-luxury dealerships. Over the last five years median earnings in luxury dealerships have been significantly higher than compensation in non-luxury dealerships. The 2024 median weekly earnings stayed flat for both luxury and non-luxury dealerships. Note that earnings for "Same Employees" (staff who were in the last year's study) was up slightly for both luxury and non-luxury.

	Non-Luxury Median Weekly Earnings			Luxury Median Weekly Earnings		
Data Source	2024	2023	Growth	2024	2023	Growth
All DWS Dealership	\$1,389	\$1,387	0%	\$1,723	\$1,717	0%
DWS Same Stores	\$1,399	\$1,398	0%	\$1,742	\$1,736	0%
DWS Same Employees	\$1,485	\$1,454	↑ 2%	\$1,789	\$1,741	↑ 3%

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.

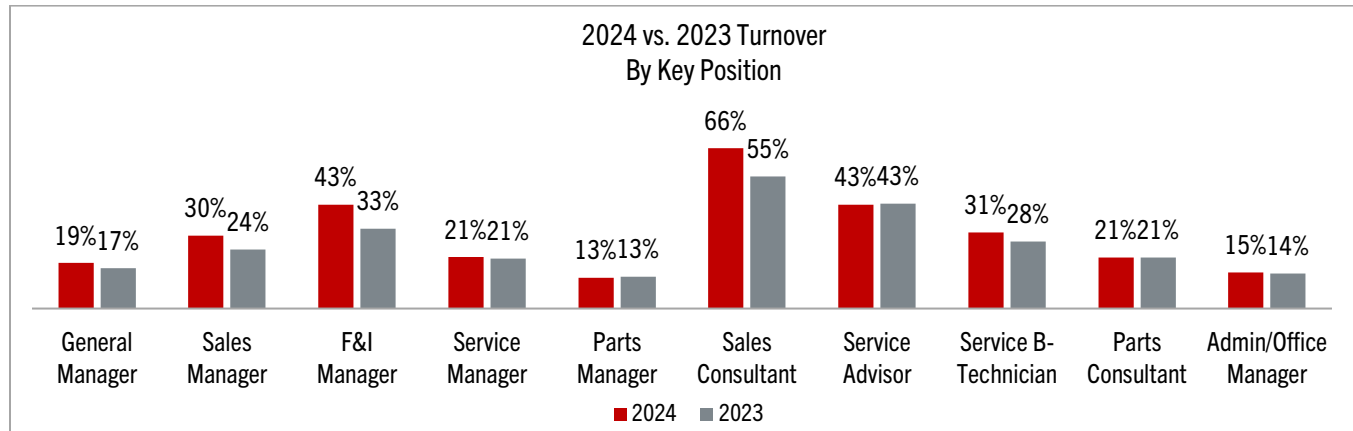


2024 Total Turnover and Retention Trends

The 2024 annualized turnover for all positions and titles increased four points to 42 percent. Nearly all the increased turnover was caused by increased turnover in Sales job titles, which is highly correlated to decreased earnings. One-year retention increased three points to 77 percent due to significant improvement in employee retention in Fixed Operations while three-year retention increased one point to 49 percent.

National Retention and Turnover – All Dealerships												
	Annualized Turnover			1-Year Retention			3-Year Retention			Median Tenure		
All Positions	42%	↑	4%	77%	↑	3%	49%	↑	1%	2.9	↑	0.2
All Non-Luxury Positions	45%	↑	4%	76%	↑	3%	47%	↑	1%	2.7	↑	0.1
All Luxury Positions	30%	↑	2%	82%	↑	3%	55%	↑	2%	3.5	↑	0.2

As expected given the decrease in earnings for many dealership positions, 2024 saw an increase in employee turnover. This was especially noted in key customer facing positions such as Sales Consultants, F&I Managers which saw double digit increases over 2023. Turnover among Sales Managers fared a little better with only a six percentage point increase. Turnover in Fixed Ops remained constant thanks to their stable income year-over-year.

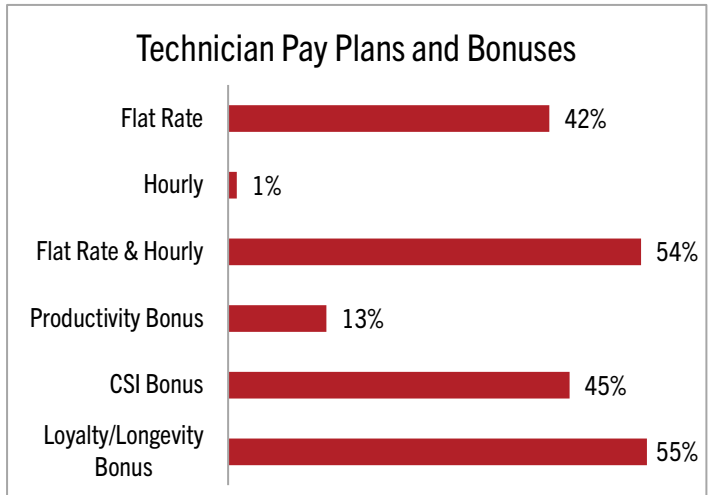


National Retention and Turnover – All Dealerships												
	Annualized Turnover			1-Year Retention			3-Year Retention			Median Tenure		
All Positions	42%	↑	4%	77%	↑	3%	49%	↑	1%	2.9	↑	0.2
General Manager/Operator	19%	↑	2%	91%		0%	78%	↓	3%	8.8	↓	1.1
Sales Manager	30%	↑	6%	86%		0%	67%	↓	5%	5.2	↓	0.6
F&I Manager	43%	↑	10%	82%	↓	2%	58%	↓	5%	3.8	↓	0.6
Service Manager	21%	↑	1%	89%	↑	2%	66%	↓	2%	5.5	↓	0.9
Parts Manager	13%		0%	94%	↑	1%	78%		0%	8.4	↓	1.1
Sales Consultant	66%	↑	12%	68%	↓	1%	44%	↓	1%	2.2	↓	0.3
Service Advisor/Writer	43%		0%	78%	↑	6%	46%	↑	3%	2.6	↑	0.3
B-Service Technician	31%	↑	4%	82%	↑	2%	52%		0%	3.2		0.0
Parts Consultant	21%		0%	87%	↑	3%	57%	↑	2%	3.6		0.0
Admin/Office Manager	15%	↑	1%	92%		0%	76%	↓	3%	8.7	↓	0.3

Service Technicians

In 2023, we witnessed a massive shift in technician pay structures. Up until that year, Flat Rate was the most popular compensation structure for techs with over 85% of the industry utilizing that method. That shifted in 2023, and it carried over in 2024 as well. Last year only 42% of techs were paid solely on Flat Rate, a decline of 16%. There has also been an increase in the use of other bonuses to further reward increased production and Fixed Right First Time metrics.

- Thirteen percent of the pay plans include weekly or monthly productivity or proficiency bonuses.
- Forty-five percent of dealers pay their technicians CSI bonuses.
- Fifty-five percent of the participants pay their technicians quarterly or annual loyalty or longevity bonuses as a retention incentive.

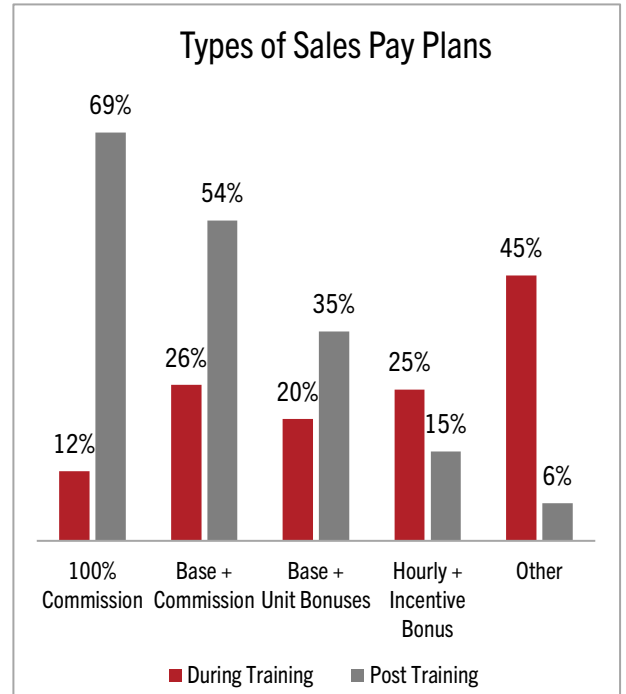


Sales Consultants

In recent years, there has been a shift back towards commission based payplans. This is attributed to the increase of dealer profitability from 2020-2023. Profits were down in 2024 but yet there was still an increase in the number of sales consultants going to a commission base plan.

Most dealerships use different pay plans during the employee training period.

- Twelve percent of the participants are paying new hires in training 100 percent commission-based pay. This is an increase of 4% over 2023.
- Twenty-six percent of the Study participants are using base salary plus commission-based pay plans during training. This is down 5% from prior year.
- There was slight growth in dealers paying a base salary plus unit bonuses.
- The standard length of guaranteed pay ranges from either 30, 60, or 90 days. A 30-day guarantee is the most common.



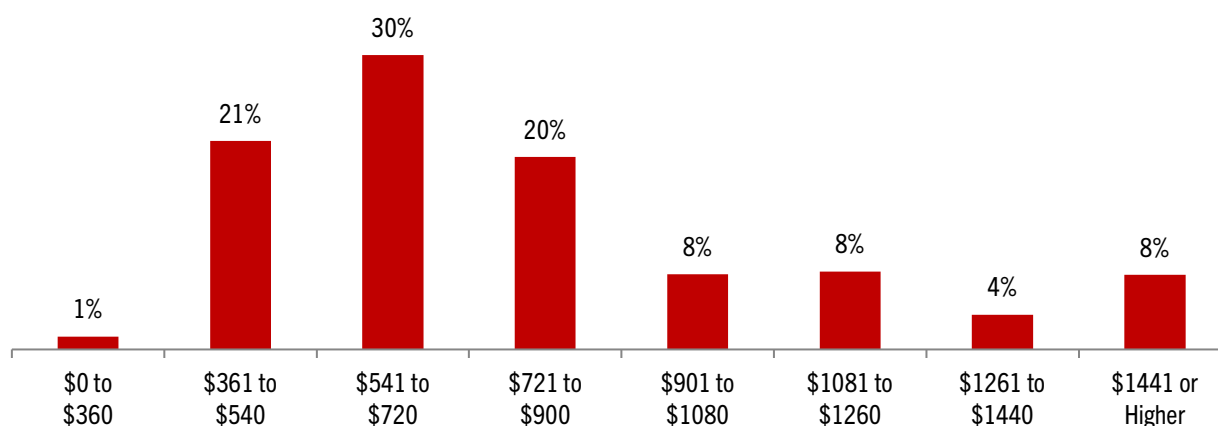
Percentages in chart do not total 100% because many dealers offer multiple choices of pay plans.

IV. Employee Benefit Programs

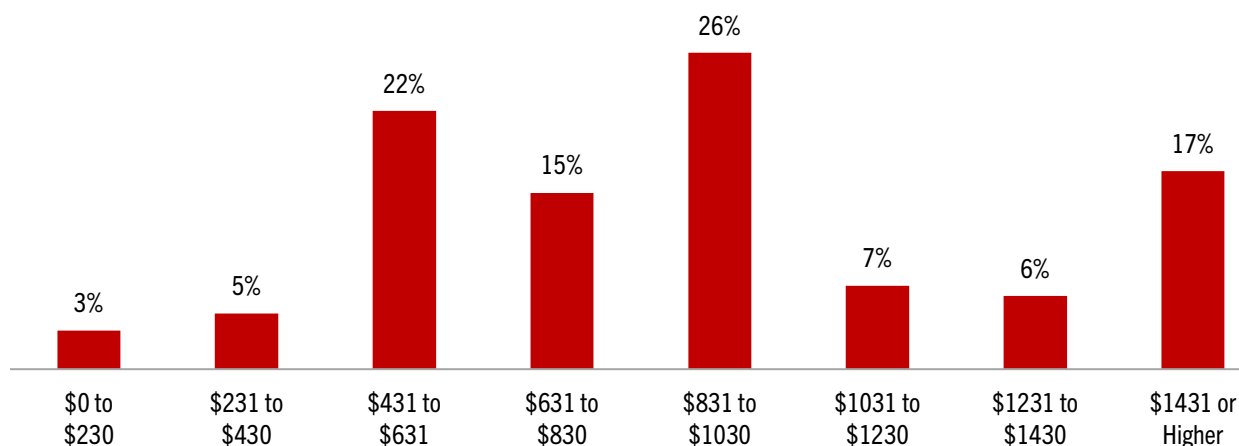
Health and Medical Benefits

- One hundred percent of all dealerships now offer Employee + Family health insurance plans.
- In 2024 only 63 percent of benefits-eligible employees were enrolled in a dealership health insurance plan which represents a four-point increase since last year.
- The average waiting period for health insurance benefits was 48 days in 2024, a decrease of 10 days from 2023.
- On average, dealerships are paying 58 percent of the monthly employee-only health insurance premium, and this has not changed since 2023. However, in 2024 dealers contributed more to employee + family insurance premiums. That contribution jumped by seven percentage points year-over-year and is now 42 percent.

Average Monthly Health Insurance Premium, Paid by Employee
Employee + Family



Average Monthly Health Insurance Premium, Paid by Dealership
Employee + Family



REGION 1

NORTHEAST

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



Region 1 Northeast

- The Northeast region's all-dealership, all-position average compensation of \$98,645 was even with the national average of \$98,645.
- The region's non-luxury dealership's, all-positions average compensation of \$91,068 was three percent lower than the non-luxury national average of \$93,853.
- The region's luxury dealership, all-positions average compensation of \$119,623 was six percent higher than the luxury national average of \$112,673.

Region 1: Northeast – All Dealerships							
	Overall Region Average	YoY Change	Average as % of National	Low Volume	Medium Volume	High Volume	National All- Dealer Average
All Positions	\$98,645	↓ -2%	100%	\$98,200	\$98,681	\$99,026	\$98,645
General Manager/Operator	\$377,981	↓ -15%	80%	\$297,211	\$401,521	\$480,459	\$470,221
Sales Manager	\$152,442	↓ -17%	89%	\$143,304	\$151,997	\$162,707	\$171,106
F&I Manager	\$191,394	↓ -4%	101%	\$179,627	\$195,629	\$194,141	\$189,097
Service Manager	\$148,152	↓ -4%	89%	\$133,693	\$160,803	\$148,153	\$167,233
Parts Manager	\$112,933	↓ -10%	87%	\$102,373	\$120,103	\$115,437	\$130,041
Sales Consultant	\$95,616	↓ -14%	97%	\$92,617	\$97,269	\$95,550	\$98,329
Service Advisor/Writer	\$92,123	↓ -4%	95%	\$90,944	\$93,555	\$90,575	\$96,561
B-Service Technician	\$84,333	0%	108%	\$80,967	\$88,091	\$81,199	\$77,848
Parts Consultant	\$67,184	↓ -2%	99%	\$64,381	\$69,253	\$65,149	\$67,832
Admin /Office Manager	\$88,330	↑ 3%	112%	\$84,845	\$91,142	\$88,795	\$79,036

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

REGION 1 NORTHEAST

Connecticut, Maine, Massachusetts, New Hampshire, New York,
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Region 1 Northeast

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	Annualized Turnover	YoY Change		One Year Retention	Three Year Retention	Median Tenure
All Positions	33%	↑	3%	78%	53%	3.4
General Manager/Operator	15%	↓	-3%	92%	82%	10.8
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F&I Manager	37%	↑	12%	79%	63%	4.5
Service Manager	25%	↑	6%	87%	69%	5.6
Parts Manager	17%	↑	7%	89%	77%	8.3
Sales Consultant	45%	↑	9%	71%	49%	2.9
Service Advisor/Writer	40%		0%	74%	45%	2.4
B-Service Technician	27%	↑	3%	84%	54%	3.3
Parts Consultant	27%	↑	5%	80%	54%	3.4
Admin/Office Manager	8%	↓	-3%	96%	80%	10.0

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