

This consulting engagement is designed to provide collision center Owners and General Managers an assessment of their company's current pay structure for a set group of employees. It will help to align personnel goals with company goals. Assistance is provided in motivating employees with the realignment of their pay structures.

"Our current focus has been on bonus and incentive programs for our staff. These programs are important because they have a direct influence on how our people do what they do. That directly affects profitability. Acoat has given us a real boost in that department."

*Bill Davis
President
Davis-Green Paint & Body Shop
Tyler, TX*



PAY PLAN ANALYSIS

Target Audience

General Manager and Owner

Are You Experiencing:

- Poor motivation of employees from pay plans not aligned with company goals
- Outdated pay plans for personnel
- The desire or need to modify or replace an existing pay structure

This Consulting Engagement Will Provide:

- An analysis of your company pay structure
- Options for possible improvements or changes to your existing pay structure or the creation of a new pay structure
- Instructions for using the new or modified pay structure
- Guidance for explaining the benefits of the new pay structure to employees
- Guidance for implementing the new pay structure

Pre-Work

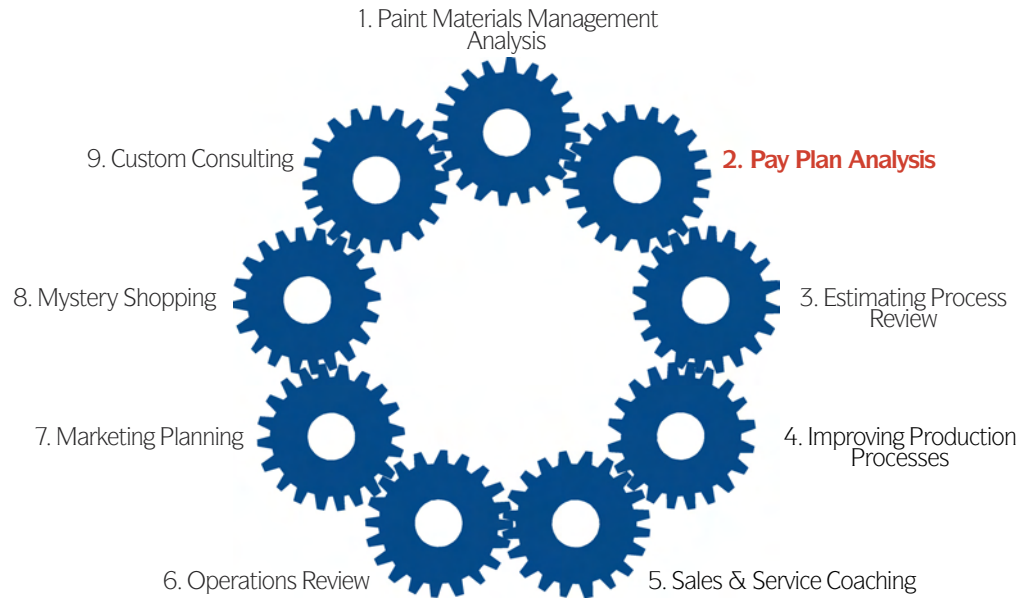
- Conference call with Services Consultant (1 hour)
- Documentation of existing pay structure
- Desired goal from change in pay structure
- Ability to track Key Performance Indicators on which the new pay structure will be based

Why We Are Different!

We understand the value of your team's time and the need to keep your staff in the repair facility maintaining production. It's not always convenient and/or effective to send employees to off-site training classes and hope they bring back new ideas to implement. Therefore, our on-site consulting packages may be the better solution for you.

Akzo Nobel is known for providing exceptional consulting services. A full-time consulting staff shows our commitment to body shop profitability. The largest and most capable group of experts in the industry provides your business with proven performance-enhancing services. Akzo Nobel Services Consultants follow a structured methodology of assessment, analysis, recommendation and implementation to ensure successful engagements with clients.

Consulting Services



Investment Analysis*
Pay Plan Analysis

Assumptions

Current Sales (Monthly)	\$100,000
Current Efficiency	150%
Current Gross Profit Margin	39%
Current Overhead Expense to Sales	28%

Profit Drivers	Service Impact	Monthly Profit Change
Sales	0.5%	\$195.00
Efficiency**	1.0%	\$260.00
Direct Cost (as a % of sales)	N/A	\$0.00
Overhead Expense (as a % of sales)	N/A	\$0.00
<i>Total</i>		<i>\$455.00</i>

Investment

Service Cost	\$750.00
Salary & Benefits (service execution)	\$150.00
Travel	\$0.00
Salary & Benefits (implementation)	\$600.00
Other Implementation Costs	\$0.00
<i>Total</i>	<i>\$1,500.00</i>

Your Potential Return on Investment

Annual Operating Income Improvement	\$5,460.00
Investment	\$1,500.00
Return on Investment (\$)	\$3,960.00
Return on Investment (%)	264%
Investment Breakeven in Business Days	69.2



* This analysis is not a financial guarantee. It assumes proper and complete implementation of concepts and recommendations offered.
** Profit improvement from an increase in efficiency is expressed through an increase in sales.