

# CODB Hourly Labor Rate Calculation

1	# of working days in period.....	#	days	Calculate the number of days open for calls during the period , do not include sick days, vacation days, or holidays.
2	Avg. # hours worked per day.....	×	# hours	Calculate in the average hours worked per day per tech
3	# of working hours per tech.....	=	# hours	Working days x hours worked
4	Avg # of techs per period.....	×	# techs	Insert the number of technicians you had working during the period
5	# of total working hours.....	=	# hours	Multiply the number of techs by the working hours per tech
6	Technician wages.....	\$		Fill in your total technician wages for the period
+				
7	All overhead expenses.....	+	\$	Include all other expenses the service department incurs during the period, do not include parts
8	Total Expenses.....	=	\$	Total of tech wages plus service department overhead
9	CODB per tech hour.....	=	\$	Divide the total expenses(8) by the number of total working hours(5)
+				
10	Desired Profit.....	*	%	Insert your desired profit from service operations
÷	CODB per tech hour plus profit	=	\$	Multiply your desired profit %(10) by the CODB per tech hour(9)
11	Efficiency factor.....	÷		Determine your efficiency factor(completed calls ÷ tech hours worked)
12	Adj CODB per tech hour.....	=	\$	Divide CODB per hour worked by the efficiency factor to get your adjusted CODB per hour worked
13	Hourly labor rate to bill customer..	=	\$	Your service rates should be set to deliver the adj CODB per tech hour(12)

Service Rates = (tech wage + Overhead + profit) x efficiency

12/13 = ( 6 + 7 + 10 ) ÷ 11