

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

Reduce lost sales from 24,912 to 3187 by 1/31/24

BOTTOM LINE: Benefits of Achieving Your Goal:

- MORE SALES
- MORE GROSS
- LESS OBSOLENCES FROM STOCKING THE WRONG PARTS
- IMPROVED SALES EFFICENCY

Consequences of not achieving your goal:

- Overstating lost sales
- Lost revenue in the service drive
- Unhappy techs

When will you start?

11/1/23

How will you gauge your progress? When? Using which metrics?

We will track lost sales monthly using the MGR report in CDK and the lost sales calculator provided by NADA.

What specific actions will you take to achieve your goal? Who can help you?

Using the lost sales tree and calculator, we will create a job aid and train our parts department on how to accurately record a lost sale. It will provide the entire department a clear definition of what is a lost sale so the entire staff is able to accurately record them. The service director, parts manager, and counter person all answered the quiz differently. None of them scored over 60%. Surprisingly, our service director scored the lowest. We will need to look into our lost sales to determine if they were true lost sales and if they were why we didn't have the part. This is an excellent opportunity to review our phase in/out process to see if we need to make some adjustments so we can increase sales efficiency and reduce our obsolesce.

Potential Challenges?

- None of them currently view a lost sale as the same thing so looking back at our current lost sales will be difficult.

- My service director feels that lost sales are an old school measurement and the information provided by GM RIM better assess our stocking needs.

Potential Solutions?

- Once a definition and a job aid are provided to our parts staff and we are sure they are tracking lost sales accordingly, we will be better equipped to review lost sales. Once we know it is being done accurately, we will review the individual lost sales against our phase in/out process.
- My service director will get over it. Are lost sales are way out of line and we need to get to the root cause of the issue. If we find they have been recording them correctly this entire time and he is able to make better stocking decisions he will be much happier with his gross.