

PARTS HOMEWORK – ACTION PLAN

S Specific **M** Measurable **A** Achievable **R** Relevant **T** Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?
Example: "I will decrease my 5K run time from 30 minutes to 21 minutes by June 15."

S **M** **T**

Reduce investment in non-stock special order parts & obsolete special order parts from \$19,870 to under \$5,000 by July 1, 2024

How does this goal align with or support your dealer's vision?
What are the BENEFITS of achieving your goal? What are the CONSEQUENCES if you don't?
Why is this goal important to you?

R

This goal aligns perfectly with our Dealership's vision of better cash management and minimizing frozen capital.
At the same time, the goal supports our mission: "To continually make it easier and easier for our customers to do business with Price Family Dealerships, and make it easier for our associates to give the best service."

If we improve our special order process, and avoid SOPs sitting on shelves for weeks by communicating with our customers in a timely manner, we will see higher customer satisfaction.

At the same time, when ROs close more efficiently, ASMs have more gross and make more money.

We need to improve our overall communication & notification system between Parts and Service.

If we don't, we will have frustrated Parts Advisors, frustrated customers and ASMs miss the opportunity to generate more gross.

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How will you track your progress? Where will you find the information? How often will you check in?

S M A T

I will check with our Parts Manager and Parts Advisors semi-monthly to see if they feel like the communication is improving and SOPs are moving off the shelves quicker. Parts Manager will be able to provide the information about dollar investment in SOPs that have arrived but have not been billed yet, so we can track that amount.

Potential Obstacles?

A

Getting all departments to be on board with the new process, and following it.

Communication and trust that each department will do their job, without falling back on the old habits.

Potential Solutions?

A

Clearly communicate new process to everyone and follow up on it / verifying that the process is being followed.

Have one-on-ones with those ASMs who don't follow the process.

BOTTOM LINE! What is the financial impact (expressed in dollars) of achieving your goal?

S M R T

Freed up \$20,000 of frozen capital in Patrts

CONGRATULATIONS! You've accomplished your goal! You added or adjusted policies, procedures, and behaviors. Now what? How will you ensure you and your staff do not fall back into the previous habits that produced poor results? Be specific.

S A

Make sure we adhere to new policies and procedures through accountability structure (Service Manager) and have our Parts Director submit dollar investment in SOPs along with his monthly reconciliation report, to keep an eye on that number.