

Lowering Managers Compensation @ Home Mazda  
Place your Title Here

Today's Date: 8/18/18 Target Date: 10/31/18 Start Date: 8/1/18

Date Achieved: \_\_\_\_\_  
Department: Departmental Managers Month: Jul Composite Page: 62 Column: 8 Line: B

SMART GOAL

**Specific:** What exactly will you accomplish? KPI is 39.65. KPI will be below 30

I am trying to get the total departmental managers & sales people compensation as a percentage of department gross below 30 percent. The Mazda is relatively new to the group and to draw employees to the store the pay plans were increased for management. I would like to cut back on that now.

**Measurable:** What reports / calculations will you use to measure your results?

I calculate and prepare every managers payroll. I plan to compile the main reasons the total pay continues to go up. I know as sales rises so does the money received from Mazda. I want to calculate if Flooring Credit, Coop, and PDI Credits and pushing paychecks higher than they really should be.

**Achievable:** Is achieving this goal realistic with effort and commitment? Have you got the resources to achieve this goal? If not, how will you get them?

It is achievable, I have been talking with our GM and CFO and pay plans are in need of a restructure, either by over percent they receive of sales or by total ~~MBEP~~ added to their washats.  
(MBEP) Mazda Brand Earning Potential

**Relevant:** Why is this goal significant to your dealership operations? To You?

if I could get that expense lower for the dealership, we would be able to better prepared for the lower sales expected while a complete remodel is happening from Aug 13 to March 31st 2019. Higher operating income can cover more construction expenses.

**Timely:** You answered "what" under specific. Now tell us BY WHEN.

I want to be able to correct higher inflated pay plans to go in to effect November 2018. It takes a while for approval through corporate. I have already adjusted one pay plan - our GSM to not be some much extra cost and our SIM had .5 percent taken from his washat, to lower these costs.

**Take Action!**

**Potential Obstacles**

- Employee pushback
- Management understanding

**Potential Solutions**

Explanation given since Mazda is changing how they pay out we will also change our pay plans by showing them the Composite. I will be able to show them they are way pass BOC

**Who are the people you will ask to help you?**

Billy Wittmann, Home Mazda's General Manager. Marty Jones, Home Auto Group's CFO. Susan Smith, Office Manager at Home Kia.

**Specific Action Steps:** Break down your BIG goal into smaller, intermediate goals. What are those steps?

What?	Expected Completion	Completed
• <u>Get GM on board</u>	<u>8/18/18</u>	<u>8/18/18</u>
• <u>Calculate what is creating the most inflation on pay plans</u>	<u>9/15/18</u>	
• <u>Learn exactly how Mazda's new MBEP program is going to pay out</u>	<u>8/10/18</u>	<u>8/10/18</u>
• <u>View other similar pay plans from other sister store so I can properly create new ones at Home Mazda</u>	<u>8/20/18</u>	

**Other Information / Comments:**

I was most concerned by these numbers, because Home Mazda is by far the biggest percentage of the entire class and I know that it does not sale nearly as much as other dealership in class. Home Auto group does usually have higher structured pay plans, but I believe these maybe to high.

Michael Horne

Print Name

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Manager Signature

8/18/18  
Date

339B  
Class Number