



## Financial Management Objective Homework

**Student** Jonathan Hess **Name:** 326 **Academy**  
**Class #**

*I plan to accomplish the following objective our next class on:* Implement parts delivery to service bays **by**

Action plan for achieving objective					
<b>What is the area of focus?</b>	Fixed Profitability	Month	Page	Column	
		h		n	
<p><b>What is the proposed plan? How will you achieve it?</b> To increase the total shop hours by 10%, by implementing parts delivery to the technician bays. The service and parts managers have worked together to develop the process for parts delivery to the bay. When the technician returns from the test drive of the customer vehicle, the parts for the current operations will be located on the technician's bench. Parts counter people will rotate between delivery and billing. We will use short range walkie-talkies to communicate between the technicians and parts department. Technicians will complete the MPI and any diagnosis that is on the RO first, they will contact the parts department and tell them that they need an SPG on whatever is being sold. The technician will continue to complete the remainder of operations on the RO. While the tech is working, parts will complete SPG for the upsell and confirm the parts availability. Once completed, parts will notify the service advisor that an SPG is ready for up-sell on the RO#####. Service advisor will sell the job(s) and notify parts that it has been approved. Parts will then deliver the parts to the tech with the approval.</p>					
<p><b>How will you track your progress? What measurements, KPI's? How often will you track?</b></p> <p>A scoreboard has been added to the service department, posted above the time clock. Currently, we are tracking total shop hours each day, each week and monthly on the scoreboard. Hours are the only KPI that we have all employees focusing on. The theory being, that if we grow hours the dollars will come as part of it. The board is updated daily and managers review financial data with me</p>					

once per week. Through May 2017, the shop was averaging 1,786 hours per month. In May 2017, the shop produced 1,880 hours. In June the shop produced 2,080 hours, an increase of 10.6% vs May and an increase of 16.5% vs average month. Service and Parts gross profit increased by 6.7% in June vs May.

**Who are the employees that will be involved, or impacted? Will they require training or assistance?**

Technicians, parts counter and service advisors have all been involved. They shared in the development of the process and understand the benefit of each extra minute of efficiency.

**Is there a cost, or estimated cost for implementation?**

Mimimal, white-board \$30

**Projected date of completion? On-going**

**Provide the relevant composite data**

<b>Jan.</b>	<b>Feb.</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
<b>July</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>