

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

I want to get our Parts department Profit Centered.

We are currently @ $\frac{88.8\%}{11.12\%} \rightarrow \frac{80\%}{20\%}$ net profit by 3/21

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

<u>Benefits</u>	<u>Consequences</u>
More Gross Profit	Higher Expense
Less Expense	Less Profit
Higher Moral	Less turns
High turns	More obsolescence
Less obsolescence	

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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

Every Month we (myself + Parts mgr) will calculate our progress using the FS Parts template.

Potential Obstacles?

O

• Hidden Expenses
• Old Contracts

Potential Solutions?

A

• Renegotiate all 3rd party

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

S M R T

An additional 8.88% increase in net profit will = \$10,350 + the bottom line

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

Work with my team and shared vision

