

## Departmental Action Plan

Student Name: Johnny Dempsey

Class & Student Number: 036-06

Academy Week: VOI week 4

Current situation or challenge you want to address:

Internal Labor Rate for New/Used Repair is set @ \$85.00/hr while door Rate is \$128.00/hr.

Overall Objective and Specific Desired Results:

Objective is to increase Internal New/Used Labor Rate To \$100.00/hr. The result is to put more money to The bottom line of The Shop since all the Labor Cost is essentially passed on to the customer buying the Unit.

Describe your action plan in detail (be specific and include before and after measurements) Follow Steps Below to evaluate my Plan.

1. Get approval from New/used Truck managers to increase Rate to them.
2. Get approval from dealer principal to increase internal Rate.
3. Inform Service Manager of Rate increase. Should help w/ attitude toward internal Rate/work and increase throughput of work.
4. Increase effective Labor Rate of the Service department and also increase Service absorption Percentage.

**Timeline:** Describe specific short term and long term checkpoints to monitor progress

Progress will be measured after 1<sup>st</sup> full month of increased Rate. Our Checkpoint will be the effective Labor Rate and the absorption measurement

### Meeting with Stakeholders (dealership personnel)

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences. Include timelines / Accountability / Monitoring process

- a. Who: Dealer Principle
- b. What: Rate Increase for Internal
- c. By When: 1-1-18
- d. How: Will have to change his view of Internal Rate. It wasn't that long ago, he had it set @ \$28.50/hr. WISH ME LUCK!

### Dealer agreement:

If you need your sponsors support or approval to implement your plan, have it signed off before you start. If you can proceed on your own, present this action plan to your sponsor before next class. Describe the meeting:

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