ACTION PLAN 1

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What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

Increase Service Department Gross Profit Return on Sales for customer pay RO's from current 60.5% to 66% by April 1, 2022.

BOTTOM LINE: Benefits of Achieving Your Goal

Increased profit to the bottom line

Consequences of Not Achieving Your Goal

Negative opperating profit

When will you start? January 1, 2022

How will you gauge your progress? When? Using which metrics?

We will measure gross profit return on sales, by department, on a monthly basis, using the year to date retail gross as a percent of sales calculation.

What specific actions will you take to achieve your goal? Who can help you?

We will implement a new review of customer pay discounting, per advisor, that takes place on a weekly basis. This information will be gathered by me, and shared with COO and Service Managers. Managers will be tasked to meet with service advisors individually to determine the reasons for discounting, and to hear suggestions for pricing changes. This will create accountability as well as teamwork to improve pricing structures, new processes, and learning opportunities.

Potential Challenges?

We want our advisors to continue to provide a quality customer experience. This is why all of our advisors have the autonomy to discount customer pay tickets at their discretion. We want to find the right balance of when it is appropriate to discount, and when other options are available to satisfy the customer while maintaining our profit

Potential Solutions?

Increased communication, education and collaboration between service managers and advisors will allow us to find a way to service our customers without discounting our services.