

# Departmental Action Plan

Student Name: Michelle Spotts

Class & Student Number: Hendrick Class 106

Academy Week: Week 4

## **Current situation or challenge you want to address:**

Add shop supplies to Used Vehicle Reconditioning Repair Orders.

## **Overall Objective and Specific Desired Results: Reallocate expense of shop supplies from Service to Used Vehicles.**

## **Describe your action plan in detail (be specific and include before and after measurements)**

We have never billed shop supplies to any repair order; it is not an option in CA. We cannot pass these expenses onto the customer or the factory; however, we can recuperate those expenses from ourselves.

We have been able to reallocate those expenses. In the month of December, we were able to increase this offset by 2000. This is a very good start. It was a trial run on 40 repair orders at \$50.00 per vehicle.

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

31 days for the month of December as a trial run.

Long term effects if the average Reconditioning count is 40 units per month. This would have a net effect on the stores profitability of \$24000.00 on an annual basis.

## **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: Reconditioning Manager
- b. What: include a Supplies charge of \$50.00 per used car on all reconditioning repair orders.
- c. By When: December 31, 2017
- d. How: Including these expenses on each repair order.

**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:

My Sponsor is the California Controller, Chris Ondell. We spoke at length about this in a Huddle meeting with all managers involved. We reviewed the process. We went over what it would include, who would be responsible, and when we would put this into effect. We decided to put this in place immediately. This would have a full month of data in the month of December. Our reconditioning Manager started to add these charged immediately and did a very good job implementing the process. We believe that this will have an annual net decrease of expense to the store. Using December as an example, annually this would exceed \$24000.