

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

My goal is to decrease Parts Dept expenses. We are currently at \$281694 as of March 2022. With a end of year projection of \$1126776. Goal is to lower this figure by 1% equating to a savings of \$11267 for fiscal year 2022. Completion of this goal is Dec 31, 2022.

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

This goal will support the dealers vision by continually looking to be at the forefront of taking action before action is needed. Recongnizing areas of improvement to dealer operations and profitability.

Benefits of our goal is lower expenses and higher Net Profit for the department.

Consequences would be increased cost of doing business with lower returns.

This goal is important as it is and will always be a main responsibility of th G.M to recongnize and control expenses. To find solutions and take action on areas of improvement.

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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

Information will be tracked via our Financial Statement.

Potential Obstacles?

A

None as this will be a policy change that needs no interaction with personnel in the parts dept.

Potential Solutions?

A

Share parts delivery van expenses with our sister store next door. Average monthly expense is currently at approx \$1900 (depreciation, ins, gas)

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

S M R T

A decrease in department expenses by \$11267 for fiscal year 2022.

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

Followup with our Controller to ensure that expense is split between our 2 stores and look at Financial statement and analyze any other areas for improvement.