NADA ACADEMY

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."*

My goal is to lower our overall Year-To-Date expenses in our Parts Department from $592,457 to $360,000 by December 31, 2023.

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?

Truthfully, lowering expenses and increasing gross profits is in any Dealer's vision. Our Dealer has voiced his overall concern about doing an expense audit for most of the departments and its something that needs done. Our dealership would benefit from the increase of profit in Parts without adding any addition employees, making any risky inventory additions and it all requires no advertising to achieve. The consequences of not taking a deep dive into our expenses is continuing to do business without the accountability of what we are spending frivolously. This goal is important to me because I know we have not made the necessary adjustments to decrease our cost of business through time and the department has been running without any accountability of expenses. I know this is a lofty goal but I truly believe we can make the necessary decisions to drastically decrease our expenses.

What specific actions or steps will you take to accomplish your goal? What will you do differently or improve?
For each, be sure to include necessary resources, who is accountable, the measurable result, and dates.

SPECIFIC ACTION/ STEP	NECESSARY RESOURCES?	WHO IS ACCOUNTABLE?	EXPECTED RESULT?	EXPECTED COMPLETION DATE?	ACTUAL COMPLETION DATE?	CHECK OFF
Lower Stationary Cost	Website/Internet Ordering	Internet/ Parts Mgr	Less paperwork	Immediately		☐
Lower Postage/Shipping	Shopping our Shipping	Parts Manager	Bulk=less Charge	Immediately		☐
Laundry/Uniforms	Laundry Co	Controller/Parts Mgr	NO ONE USES Why are we	Immediately		☐
Tools	Inventory of assets	Parts Manager/GM	Make sure they are here and	Immediately		☐
Miscellanious Charges	Specific Vendor list	Controller/GM/Parts MGR	Make sure we arent paying for	Immediately		☐
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How will you track your progress? Where will you find the information? How often will you check in?

With all my specific goals in line to be addressed immediately I intend to have everything trimed and clean by 4/30/23. From that point on I will require all invoices and bills to be signed by the GM to approve. We will continue to closely monitor all expenses monthly and make necessary improvements that can increase efficiently and lower expenses.

Potential Obstacles?	Potential Solutions?
Finding everything from vendor lists, to miscellaneous charges. Blow back of making changes to lower expenses by cutting things out. Technology changes may not be well received from an older mindsetted staff. Creating solutions that work for everyone.	Getting with controller-figuring out everything thats been invoiced in the previous quarter. Create a common goal from gross profit for the department and showing that lowering expenses will help while requiring no extra work. Training of technology and showing the benefits of increased efficiency and

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

With the cutting of expenses ultimately we will add $232,457 to the bottom line in the Department.

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.

Constant accountability, training and monthly meetings to discuss our challenges and goals. Requiring all approvals with signatures on any expense and each year dive back into expenses to find improvements.