

# ACTION PLAN 3

## EXPENSES

At my dealership my parts manager has always told me that in order to be successful as a manager you always have to control your expenses. We always try to be around a 16% in employee expenses for our parts department. My action plan to help maintain this percentage is quite simple. We have a program called Excessa to help keep track of our sales projection for the month as well as using CDK to help monitor our sales GP and total sales for the month. We always keep track of our daily sales and if we don't track what our monthly projections need to be we start taking longer lunches if possible or have our employees take off early. We also try to keep overtime to a bare minimum or have none at all if sales are low. At Clawson Honda we check our delivery vehicles weekly and have a log that needs to be checked off by our drivers ensuring they are monitoring fluid levels, mileage between oil changes, tire tread depth and maintaining a clean and sanitized truck/van. This log helps us keep the vans out of our service department as much as possible. I personally will do any minor repairs that need to be done to help keep our expenses to a minimum. By keeping our vans and delivery trucks well maintained this will also help our efficiency and customer service. This also cuts on employees standing around doing nothing because they don't have a vehicle to drive. (TIME IS MONEY)

Although these things can help us reduce expenses there are other expenses we cannot control such as department lunches and marketing teams. Since we can't control those expenses we do use that to our advantage, Parts and Service will use marketing to help send out flyers and coupons/specials to our customers via email/text messages and commercials too. This helps us bring in more customers to our service department and parts department resulting in more opportunities to make sales and increase gross profit for our company. This being said I will help insure all of our employees understand the importance of keeping our expenses to a minimum and also appreciate our work place for what it has done for all our lives.