

SMART Action Plan for Parts – Bret McBeain – Apple ACDJR

The goal is to decrease overtime in Parts. In 2022, we averaged \$5,032.21 a month, for a total of \$60,386.67 in overtime pay for the year. I would like to cut it in half, to \$30,193.34 by July 1st.

Our vision is, “We are famous for extraordinary customer experiences, with people who are empowered to create growth and loyalty for a lifetime. We want to go over the top to provide a great guest experience”. The customer is always first and we go to great lengths to do this. It does align with our vision, but we will have to make sure that our customers are still being taken care of. We can’t let our CSI slip because of this.

Benefits of achieving our goal would be:

- A better process
- More streamlined
- Lower expenses for payroll
- More profit for the dept/store
- Would hold employees accountable to always be taking care of their responsibilities
- Culture, people coming to work to work, not standing around, or clocking in early

The consequences of not achieving this would be:

- More expenses
- A department that is not ran smoothly and with a plan
- Chaotic environment
- Not achieving a goal that was created

This goal is important because I think it shows how you run your store as well as the structure that is within the store. It also shows weather you have the right people in the right seat.

I will track this monthly, as I get an overtime report at the end of each month.

Potential Obstacles:

- Big Wholesale Business – still need to be able to deliver to our customers
- Shortened hours at the counter – still need to be able to handle the business
- People, need to cover the counter and the warehouse

Potential Solutions:

- Hire a wholesale manager
- Reassign rolls/restructure the department and move responsibilities around
- Hire a senior counter person to take some duties off of the parts manager
- Change up people schedules and who works Saturday
- We hired someone to help with date entry/paperwork

The money saved in overtime will go straight to the bottom line. We also hired another driver so we will get rid of our B-line service that we use, which should save us 4-5k a month. With overtime cut and the less expense for delivery, we should make another 7-8k a month in parts.

The parts manager and I have been talking a lot about structure and him working more on the business than in it. We have a young team, so sometimes he doesn't have a choice as he's teaching and they are learning. We do a weekly one on one and discuss this each time. He has worked on the structure and moved some people around within the department. We are also having 2 people take on bigger roles and more responsibilities. It's hard to work on on-going improvement (selling, etc...) until you have the right structure. I'd also like the parts manager to work on the processes more and have everything streamlined, along with some sales training for counterman. Doing the phone calls to stores in class was pretty eye opening. We don't and haven't given parts training like we do in sales. It was also eye opening about how long of tenure that position typically is and who they learn things from. Parts could definitely use more focus in probably everyone's store. We are also working on the relationship between service and parts. It should be ran as a fixed department, not separate. Lots of finger pointing when something is not ordered or ordered wrong. They need to be able to work together as a team, this goes for the parts manager and service manager as well.

The things we are tracking and working on are:

- First time fill rate - currently at 88% trying to get to 92% (this is for off the shelf)
- Same day fill rate - currently between 90-92%, trying to get to 95%
- Inventory \$ amount - currently at 2 million and trying to be at 1.8 million
- Parts Net Retention - currently at 6% trying to get to 12%

We need to start tracking the following:

- Lost sales
- Sales by individual counterman (wholesale we do this but not retail/back shop counter)
- Re-evaluate wholesale accounts (\$ spent, distance, receivables, etc...)
- Pricing/coding for maintenance items (wrong code on maintenance at times, and it's an overcharge, or losing sales because of it)