

ACTION PLAN 1

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?

My goal is to reduce unapplied labor expense to under \$5000 a month/\$60k a year. Last Year 2022 we paid \$90k in unapplied labor and my goal is by the start of 4th quarter this year to be averaging less than \$5k a month.

BOTTOM LINE: Benefits of Achieving Your Goal

Reduce yearly expense by \$30k and managing flat rate techs productivity (accountability).

Consequences of Not Achieving Your Goal

Increase unneeded expense and have low tech proficiency % based off techs not covering their time.

When will you start? Right Away April 1st

How will you gauge your progress? When? Using which metrics?

Weekly shop productivity report, Timecard report for apprentices (watching OT weekly), and reviewing payout on semi-monthly tech payroll (total apprentice hourly pay and unapplied labor paid out to our flat rate techs.)

What specific actions will you take to achieve your goal? Who can help you?

First will be to make sure we have enough work to keep shop busy. I already have been working with some our advertisement vendors to increase traffic thru our service drive. We increased our social media presence, doing mailers with gift cards for inactive clients that have cars older than 2019, and doing internal outbound calls for recalls. Once we have the work, there can't be an excuse that we aren't that busy to be productive.

Next doing a better job with Having our foreman review daily productivity (making sure they are doing min 7 hours a day we have a 35-hour guarantee). Managing overtime for the two current apprentices. Making sure techs are getting prepaid on larger repairs on the correct week of productivity.

Lastly, I revised our internal Apprentice tech training program to only have one active apprentice at a time. Currently we have two so created a better schedule to get apprentices to transition to flat rate in about 3 months.

Once out of tech school:

Two weeks with our Recon techs to understand the MPI process and doing the basics.

Two weeks with each of our team leaders (total of 3TL so 6 weeks)

Two weeks with a tech that is strong in the Trainee biggest weakness. will get feedback from all TL

Last two weeks on their own with Foreman supervision to see productivity level.

12 weeks total of training.

I will require the help from my team leaders and Foreman staff.

Potential Challenges?

Biggest Challenge will be keeping the shop to full capacity with appointment counts. Right now, we are slow and don't need any more techs.

Potential Solutions?

We build a stronger workshop where we are averaging over 120% proficiency. Increase gross by doing better MPI's so we are making the most out every vehicle. We reopen our old express shop that we have had closed for more than 6 years. Having the whole shop more productive with less techs (comparable to pre covid)