

Departmental Action Plan

Dealership **Curran Volkswagen**

Student Name **Bill Stevens**

Academy Week **Week 2 - Fixed Operation - Parts**

Class & Student Number **N334**

Current Situation

Lost Sales Currently we do not track our lost sales. We have known for some time that we should be, and in the past have attempted to impliment ways of tracking them. None of our attempts have stood the test of time however. We would like to enact a new process of tracking our lost sales correctly in our DMS to hopefully increase our parts mix and fill rate.

Overall Objective:

Objective 1: Teach our parts personnel the importance of tracking lost sales.
Objective 2: Teach our parts personnel what is and is not a lost sale.
Objective 3: Track lost sales correctly within our DMS.
Objective 4: Review lost sales regularly for missed opportunities as well as increasing our fill rate and parts mix.

Proposed Timeline

Proposed timeline:
Step 1: Teach our Parts staff what is and is not considered a true lost sale using lost sale quiz
Step 2: Begin recording and tracking lost sales electronically in our DMS
Step 3: Review lost sales regularly
Due: 04/16/2018
Due: 04/23/2018
Due: Ongoing

Action Plan

Describe necessary actions to reach desired result:
Step 1: Commitment to the tracking of lost sales. In the past we have attempted to track lost sales, but never seem to keep with the plan long term.
Step 2: Training of parts personnel on what exactly is considered a lost sale and what is not. The lost sale quiz will be used to help with this. Many of the instances we previously thought would be considered lost sales are actually not.
Step 3: Training of staff on how to correctly log lost sales properly in our DMS.
Step 4: Training of service advisors on what might be considered lost sales and having them report to our parts staff on any possible lost sales related to quotes they recieve. Often times parts dept will create a quote for an advisor and nothing is ever heard of it again, was it a lost sale?
Step 5: Regular monitoring by parts manager to ensure parts personnel are correctly and accurately logging lost sales in the DMS.
Step 6: Review of lost sales by Parts maanger to identify parts opportunities for phase in.

Requirements

Meeting with Dealer:
1. Propose action plan to Owner for approval.

Meeting with stakeholder(s) (dealership personnel):
Describe what is in place to support desired goal:
Training / Coaching / ±Consequences related to results / Pain & Gain
Commitment to continue to track lost sales consitently
2. **Training** all parts staff on what is considered a lost sale.
Training of parts personnel on how to log lost sales correctly in the DMS.

Accountability: Monitoring progress:

Who:

Parts counter personnel, Parts manager, Service Advisors.

What:

Parts counter personnel are responsible for logging all lost sales in the DMS.

Parts manager is responsible for making sure parts counter personnel adhere to policy, log all lost sales, as well as reviewing lost sales regularly to determine if/when parts need to be phased in.

Service advisors are responsible for relaying possible lost sales from quotes to the parts staff to determine if they should be logged as lost sales.

3.

By When:

By assignment due date April 23rd 2018.

How:

Training of parts personnel on what is and is not considered a lost sale. Training of how to properly log lost sales in DMS system.

Describe checkpoints that have been established to measure progress:

Daily / Weekly / Bi-weekly / Monthly /

Daily – Parts manager to review Lost Sales report.

4.

Weekly - Meetings with Parts counter personnel and Service advisors to discuss any issues and or questions with the tracking of lost sale parts.

Monthly – Meeting with Service manager to discuss any missed opportunities regarding lost sales and/or parts fill issues.

5.

Estimated cost for implementation: There is no expected cost to implement this plan.

Projected Date of Completion:

April 23rd 2018

Sponsor Signature:

Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI /

Sales: By consistently and accurately tracking our lost sales we hope to be able to increase our sales overall by making sure we are stocking the correct parts to meet customers demands. We should be able to increase the volume of parts we are able to move. By ensuring we have the correct mix of parts we should see an increase in our sales.

Expenses: There may be a slight increase in our inventory costs if we track lost sales correctly as we will probably find we need to stock more items we do not currently.

Net Profit: Net Profit should see a slight increase. By stocking the correct parts through tracking lost sales we will be able to capture more sales in the parts department which will translate to higher net profits.

CSI: CSI will perhaps be one of our greatest areas of impact. Both customer as well as employee satisfaction should see an increase. Customers in that we will have more parts on hand to better address their needs and enable us to turn around their vehicles quicker in our service department. And employee satisfaction in that we will see an increase in sales, which also means, technicians are happier in they're receiving more work and turning more hours, as well as our parts and service staff are able sell more parts and service since we will have a better mix of parts on hand.