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."*

S M T

I will increase our accessory sales from an average of $8,500 per month to an average of $12,000 per month 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?

R

This goal aligns with our vision because it will not only benefit the parts department, but also our sales and service department as well. We want to give the customers the best buying experience, and that includes introducing them to all that we have to offer as a dealership, not just as a sales department.

Benefits include:
- Increases sales in service, parts and sales department, therefore increasing profit
- Familiarize the customer with the parts and service department at first visit to increase customer retention
- Sales team increase MyRewards usage for the dealership
- Parts department track accessories that sell at vehicle purchase to stock and replenish as they sell (outside of RIM), increase FTFR at time of sale
- Service department will benefit from more ROs, and increase customer retention for future visits

Consequences include:
- Losing accessory sales and service business to another dealership
- Decrease in customer retention for parts and service department by not introducing customer at first visit
- Overstocking accessories that we are not selling due to lack of process in sales department, and possibly increasing obsolescence if we don't return them

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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.

S M A T

| SPECIFIC ACTION/ STEP | NECESSARY RESOURCES? | WHO IS ACCOUNTABLE? | EXPECTED RESULT? | EXPECTED COMPLETION DATE? | ACTUAL COMPLETION DATE? | CHECK OFF |
|---|---|---|---|---|---|---|
| MAKE SHEET | COPIES FOR EACH SALES | ME | 1 PER DEAL | 09/25/2023 | 09/08/23 | ✔ |
| MEETING | SALES & PARTS DEPARTMENTS | ME | SCHEDULE TO DISCUSS | 09/29/2023 | Scheduled for 9/25/23 | ✔ |
| SELL | SALES SHEETS | SALES TEAM | INCLUDE 1 SHEET IN EACH | 10/6/2023 | Implement after meeting on 9/25 | |
| COMMUNICATE | ORDER FORM GIVEN TO | SALES TEAM | ORDER FORM GIVEN TO | 10/16/2023 (& each week after) | | |
| FILL OR ORDER | FILL ORDERS AT TIME OF | PARTS TEAM | PARTS FOLLOW UP WITH SALES | TBD - DAY OF OR ONCE | TBD - WEEKLY | |
| TRACK | COPIES OF ALL SALES SHEETS | SALES MANAGER & ME | COPY OF 1 SHEET PER | 10/16/2023 (& each week after) | TBD - WEEKLY | |
| FOLLOW UP | ORDER FORMS & PARTS | PARTS MANAGER & ME | CHECK ON ETER & ORDER | 10/20/2023 | TBD - WEEKLY | |
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How will you track your progress? Where will you find the information? How often will you check in?

S M A T

I will track our progress by collecting copies of the accessory forms each week from the sales department. I will also follow up with our parts department to see how many orders we were able to fill at the time of the vehicle sale. In addition, I will be able to track any accessory sales at the point of sale by seeing the commission paid to the sales team during each week. I would track this weekly to make sure it is being included in all of the deals, and to make sure if it is not being done, that it is corrected or adjusted (if need be due to parts supply or demand for certain accessories per vehicle) in a timely manner.

Potential Obstacles?

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- Getting sales team on board with adding another step to the sales process
- Stocking enough of the accessories we will offer at the time of sale
- Getting customers to purchase additional accessories at the time of vehicle sale

Potential Solutions?

A

- Sales team can use the MyRewards as a way for customers to buy in and purchase accessories
- Sales team will receive 10% of accessory sale only at the time of purchase, and only at our list price which is marked up by 10%
- Techs turn more time, so we increase profit to service department as well

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

S M R T

The financial impact is an increase in sales of at least $3,500 per month which would be be an increase of $42,000 in sales for the year. This would also result in a higher gross percentage for our Chevrolet dealership because we currently do a lot of wholesale business.

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.

S A

To ensure that these procedures remain in place, we would need to make it critical to the deal structure before a deal is considered complete and gets sent up to accounting. It is imperative that the sales managers collects a copy of the accessory form from the sales person in order to report that deal before sending it up to account for the deal to be

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