

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 am going to increase RO Sales Gross Profit from 29% to 41% by 12/31/23.

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 will allow for more overall Gross Profit of the department. Therefore, managers will make more money, which in turn will boost morale as a whole.

Benefits:

Additional Gross Profit

Additional Sales

Improve Overall Practices

Consequences:

Missed opportunity

Less gross profit

Lower pay for manager/counterpersons

Throughout this exercise, I have noticed that we have missed a lot of opportunity for additional Gross Profit in our Parts department. This will allow for roughly \$7,000 of additional gross profit per month and \$84,000 per year.

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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 the information by using the total RO sales report provided by the DMS. I will check this monthly.

Potential Obstacles?

A

Pushback from managers/
counterpersons
-Not enough opportunity

Potential Solutions?

A

-Show them the difference it will make
in their pay
-Offer some type of incentive for
achieving this goal faster than expected

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

S M R T

It will add approximately an additional \$84,000 to the bottom line.

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

Enforce the policy, make it a requirement with consequences if not followed, etc