

## 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**

Increase Internal Labor & Parts Sales  
Internal Labor from an AVG Month of \$47,385 to \$75,000/month  
Internal Parts from an AVG Month of \$32,901 to \$52,000/month  
Goal Date 12/31/2023  
Will track these metrics using the composite Service & Parts Pages

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**

The best way for our dealership to recession proof itself is to become our own best customer. If new car sales decrease, if customer CP sales decrease, but we are our own best customer the decrease in other areas is still felt, but not to the same degree.

Benefits of achieving the goal - increased and sustained profitability  
Consequences of not achieving the goal - a higher susceptibility to market trends



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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**

Progress will be monitored daily through an auto generated report that will be emailed to GM and Vehicle Operations Director. 90 Day rolling average will be monitored monthly as a guide and MTD performance will be emailed daily.

Potential Obstacles?

**A**

Ceiling, can we scale and can we handle the growth?

Potential Solutions?

**A**

Processes, people, continued training

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

**S M R T**

Labor increase  $\$27,615/\text{month} \times \text{GP}\% 86.55\% = \$23,901/\text{month} \times 12 = \$286,809/\text{yr}$   
 Parts increase  $\$19,099/\text{month} \times \text{GP}\% 41.27\% = \$7,882/\text{month} \times 12 = \$94,586/\text{yr}$

**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**

With the addition of an additional manager to the sales department and a change of position for the other, pay plans have been adjusted appropriately to account for the increase in both sales and internal. With pay as a driver and continued focus on the process, everything else should take care of itself.