

Verification Form Regarding the Departmental Action Plan

Fixed Operations 1 Week Post- Class Homework Assignment

Dear Academy sponsor,

One of the post-class homework assignments given to your manager at the conclusion of week two at the Academy is the Departmental Action Plan form. The student's assignment is to show you the format of the assignment, explaining to you the purpose of crafting a departmental action plan after week 2 of the Academy. This assignment will be completed four separate times, (classes 2-5) after the student has attended the fixed operations 1 parts week, the fixed operations 2 service week, the variable operations 1 class week and the variable operations 2 class week. The progress of the student's departmental action plans will be assessed by each of the Academy instructors in weeks 2 through 5 of the Academy. Please sign this form below which indicates that the student has reviewed the departmental action with you, and have your student bring the form with them, when they return for their fixed operations 2 parts class. We will collect these forms at that time from the students. The student will receive a pass/fail grade, based upon whether they submit this form signed by you. This is being done in order to verify that each student has shared the Departmental Action Plan with their sponsor.

Thank you for your cooperation.

Sponsor's Printed Name

Anthony Yang

Sponsor's Signature

Anthony Yang

Date 10-5-2018

Very truly yours,

Departmental Action Plan

Dealership: Young Chevrolet Cadillac Buick GMC, INC

Student Name: ALEX YOUNG

Academy Week: WEEK 2 FIXED OPS Parts

Class & Student Number: N340

Current Situation

Internal, counter retail and wholesale gross profit percentages are not up to guide. Huge room for improvement with in these departments. Large number of sales but low gross profit percentage.

Overall Objective:

Increase Gross Profit Percentage in these three areas closer to NADA guide, while still trying to keep sales figures strong

Proposed Timeline

Nov 1st 2018- June 1st 2019

Action Plan

Work on increasing business with current customers as well as picking up additional wholesale accounts to increase business. Get with Used Car manager to increase the number of cars going through the shop. Run promotions to try and increase counter retail for parts. At the same time we are trying to increase business we need to decrease the amount of discounts we are giving. This will be done by charging door rate on all internal work. Also making sure counter guy's pay is tied to gross so they are not discounting to counter customers, as well as locking any discounting functions in our DMS. With wholesale we need to regrade our wholesale customers to make sure, we are giving proper price breaks to the right customers and doing a better job collecting our money in a timely fashion. Very important to gain customers and not to lose any in order to keep getting our large purchase allowances that are not shown as gross on a FS.

Requirements

Meeting with Dealer: Meet with President, show him where we are lacking and where we can bring it up
1. Action Proposed: lay out my action plan and see what he thinks, get his blessing to stand behind me and start trying to drive gross up

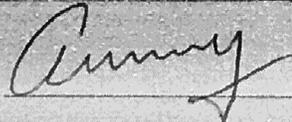
Meeting with stakeholder(s) (dealership personnel): Have a meeting with the Used Car Manager, Parts Manager, Internal, Counter Retail and Wholesale, let them know of the changes we are planning to make and how we are going to make them. Let them know our end goal and how long we think it will take.
2. Describe what is in place to support desired goal: First thing I would put in place is locking out the counter, internal, and whole sale guys from giving additional discounts. I would then provide them with some word tracks and scripts and have them role play to try and over come pricing issues so that they can hold gross. I would spiff them with monthly bonuses based on how much business they drove and how much their gross percentages went up.

Accountability: Parts Manager to Manage Monitoring progress: Parts Manager to provide biweekly updates to me
Who: Parts Manager
What: Total Sales as well as Gross Profit Percentage
By When: BiWeekly
How: Pull sales numbers and gross from DMS provide them to me in an Email
3.

Describe checkpoints that have been established to measure progress: As stated above we will track numbers bi weekly to see if we start seeing the gross trend upward - Bi-weekly
4. Date(s) for review: biweekly up until June 1st to how see close we were able to bring gross levels up to guide.

Estimated cost for implementation: Should be no cost except for paying out monthly spiffs, the one cost or negative affect I might see is a drop small drop in internal sales because of the added cost Used Cars will have to absorb from not getting the discounts they were used too. We could also see a dip in wholesale business, but hopefully if we've graded our customers right and they know about our great customer service, they will accept the new pricing structure.
5.

Projected Date of Completion: June 1st 2019

Sponsor Signature: 

Evaluation of Results: Include measured results. (± Metrics)

Impact Areas: Sales / Gross / Expenses / Net Profit / CSI /