

Departmental Action Plan

Student Name: Brian Hayes

Class & Student Number: N 336 /09

Academy Week: 4

Current situation or challenge you want to address:

RECON

Our used car department prices cars based on age and market value . The first 15 days a vehicle is in our inventory our pre-owned car manager prices the vehicle according to the market . After 15 days, typically the units fall into the red portion of the bucket ,based information provided by V-AUTO. Our goal is to price with the market, not chase the market.

Our issue is Recon. Our average day to lot is 18 days. Although basic pictures are available on the internet after the deal is complete, we run into problems of accurate cost, showing detailed inventory and adjusting pictures to reflect a finished product .

Overall Objective and Specific Desired Results:

We would like to have all vehicles go through Recon in 5 days or less. We have a system called Rapid Recon. There seems to be a communication gap between technicians and detail. The technicians are getting the cars marked to Detail in 8-10 days . In most cases the Detail department are not receiving the keys. They are not paying attention to Rapid Recon to know when to go look for a key . The detail department is out sourced at a flat rate per vehicle. They tend to pick the easy jobs first , instead of going in chronological order. We also have a service manager that puts customer pay before Recon without having a make up plan. My desired results are to achieve an acceptable Recon days to lot . So that our inventory is front line ready in five days or less.

Describe your action plan in detail (be specific and include before and after measurements)

My action plan will be to tighten up the present process. Train people on the importance of accuracy in rapid recon. If we change the pay scale of the service department to reflect full labor rate for R.Os completed within 5 days , 75% of labor rate if completed from 5- 7 days and 50% after 7 days. This should strike urgency in Recon.

Timeline: Describe specific short term and long term checkpoints to monitor progress

The time line should show immediate results. The more vehicles available to show, the more vehicle we will sell. In 30 days we should be able to, not only have less vehicles in Recon ,but also have a cost to post to vehicles for accurate pricing . The progress will be monitored daily because Rapid Recon tracks every step of recon .

Meeting with Stakeholders (dealership personnel)

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences. Include timelines / Accountability / Monitoring process

a. **Who: Service Manager**

The service manager will have to train. He will have to walk the techs through the process and explain to them the importance of detail and accuracy. The service manager needs to know when the vehicle is traded and then get it to dispatch. Dispatch needs to get it to the used car techs and the techs needs to get to detail in 5 days or less.

b. The techs will have to be trained that once they transfer the vehicle from service to detail that the job is not over. They need to GET the keys to detail. Then it needs to go to photography .

c.

Dealer agreement:

If you need your sponsors support or approval to implement your plan, have it signed off before you start. If you can proceed on your own, present this action plan to your sponsor before next class. Describe the meeting:

My general manager supports the idea. Since the last class , my service manager has been replaced . The Recon time has improved . The proper use of Rapid Recon still has its challenges. Although he likes the adjusted labor scale that pays full labor rate for jobs completed on time, we have not yet put a plan into place.

In conclusion, I see recon as an issue because if we don't have clean pics and videos of used cars, we cannot compete . The longer we have a vehicle in the back the less opportunities we have to sell at full list. If we do sell one that hasn't been through recon we have to guess at the cost which causes charge back to a imaginary gross. A strong recon system is vital to the success of a 60 day turn .

