

Departmental Action Plan

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Class & Student Number: N336 - 03

Academy Week: Variable 1 – Pre-Owned

Current situation or challenge you want to address: Our current situation is that our used car department has grown to the extent that service reconditioning is not able to keep up. We are consistently running 10-12 days from stock-in to frontline ready. This is affecting our total sales, turn-rate, gross profit, customer satisfaction, etc.

Overall Objective and Specific Desired Results: Our overall objective is to focus the energy and resources needed to build a reconditioning department that can support our growing used car sales. Our specific desired result is to reduce our time to frontline ready to 6 days by March 31st and 4 days by June 30th. This will increase our total sales, turn-rate, gross profit and customer satisfaction, etc.

Describe your action plan in detail (be specific and include before and after measurements) Our plan is to convert the closed body shop into a reconditioning and get-ready department. In order to accomplish this goal, we need to complete the following:

- Liquidate body shop equipment that has value
- Demolish paint booth and clean building of excessive dust and debris
- Purchase and install 8 new lifts
- Purchase required tools: tire changer, balancer, brake lathe, etc.
- Purchase and install exhaust venting system for mechanical shop
- Purchase additional hot-water extractor and storage cabinets for detail department
- Purchase and set-up computers techs and internal advisors
- Purchase and install photo booth
- Hire additional detailer and technician

As stated previously, our current average recon time is 10-12 days. Our goal is to reduce our time-to-frontline ready to 6 days by March 31st and 4 days by June 30th.

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

The short-term checkpoints are as follows: Have the Reconditioning and Get-Ready Center ready to be moved into by December 31st. Have all our primary processes dialed in and

working well and additional staff hired by January 31st. Have our reconditioning time to frontline to 6 days by March 31st and 4 days by June 30th.

The primary long-term checkpoint is to monitor time-to-frontline and maintain at 4 days or less.

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 Managers, Reconditioning Supervisor, Used Car Managers, Internal Advisor, Technicians, Detailers, Photographers and support staff.
- b. **What:** Embrace and support a mindset of process and efficiency and demonstrate a commitment to hit our number while maintaining our high-quality standards.
- c. **By When:** Immediately and ongoing
- d. **How:** Communicate constantly and reward performance verbally, financially and through fun group activities. We will post our number for all to see and create a culture of competitiveness to hit that number. We will discuss the impact time-to-frontline has on the dealerships financial performance by discussing items such as holding cost and turn-rate. General Manager is very committed to this project and our number and will hold the Service Manager accountable and expects that he will hold others accountable as well. We will use Rapid Recon and our monitoring tool and ensure that everyone involved knows where we are at on a daily basis.

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: Do not need approval of my sponsor but she is in full support and excited about what this project will do for the growth of our used car operations.
