

Departmental Action Plan

Student Name: Marlon Woodmore

Class & Student Number:

Academy Week: 4

Current situation or challenge you want to address: My current inventory turn is 17.5 and I believe it can be higher.

Overall Objective and Specific Desired Results: I will increase the turn rate to a goal of 20 or higher.

Describe your action plan in detail (be specific and include before and after measurements) I went back to the store and observed the entire used car process. I examine our process on a trade and noticed that our photos are not being taking immediately and posted to the internet for making exposure. It was taking longer than it should to have a car brought into/out of the shop, and way to long for detail at times. I also analyzed how aggressive we were being in the initial pricing of our cars and concluded we were not pricing cars for the velocity.

First change I made was we price the cars as soon as the deal is done and pushed thru V-Auto. Second thing that happens now is our in-house photographer grabs the keys to a trade and gets them thru our quick wash as quickly as possible. Once that is

done we pull it into our photo both for the initial 15 shots. The unit is then placed in a designated area and then placed on a log for our internal writer. He then pushes it thru the recon process using X-time. Once the unit has been inspected he sends out the PDI to both USED CAR MANAGERS, BUYER, AND THE GSM. The reason it is sent to multiple people is to ensure someone gets the ticket approved quickly. The ticket should be approved within 10 minutes and work is begun. We now aggressively price cars on day one as opposed to waiting our previous 10 days and hope we could move the unit at a higher gross. During our daily managers meeting we review previous days trades, photos, recon tickets, PIN data on the unit, and pricing to make sure a unit doesn't slip thru the cracks.

I believe just making these small changes will yield a very high return in all areas and we should be able to pick the additional 23 units per month to increase our turn ratio to 20. These adjustments represent an additional \$1,208,452 annually in variable gross and a total of \$1,412,471 in gross for the store. With our current net to gross flow thru of 41% that translates into an additional \$579,113 in net to the bottom line.

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

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:
- b. What:
- c. By When:
- d. How:

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:
