

Departmental Action Plan

Student Name: Todd Penz

Class & Student Number: NADA337

Academy Week: 4

Current situation or challenge you want to address:

We have two situations that I would like to address. First would be pricing the pre-owned inventory based on the market day supply. Second situation we have is the pre-owned recondition time.

Overall Objective and Specific Desired Results:

My Objective would be to price my inventory aggressive that have a high market day supply and ask hold for more gross for cars that have a low market day supply. With cars that have a high market day supply (150 or above) I would price about 88-90 percent and cars with low day, I would ask 97-100 percent based off VAuto.

My reconditioning time for my pre-owned cars is about 15 days out. After class, I learned that an acceptable time would be 4-5 days. My desired result would be to get my recon time to NADA acceptable time with hiring another UCI tech and another detailer. We also discussed doing 4-12's and extended the hours of the shop.

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

My action plan for pricing my inventory. We are going to do couple things: First, when we are appraising, we will be looking at the market day supply of that car and determine price and what we could sell it for. We will re-price all pre-owned inventory based on its individual market day supply. Moving forward, market day supply is how we are going to determine what's on the lot to sell and what we buy at the auction. Before I have cars that had a low market day supply and was about 88-90 percent according to VAuto and had cars that had high market day supply that was pricing around 97-100 percent. I have currently flip that that trying to hold gross on cars that have a low market supply.

My auction plan for my desire recondition time from 15 days to 5 days. Stock them in right away. Second, hire another UCI tech and detailer. Third, extended hours of the service department to match sales hours. Fourth, we are going to do shifts in the service department. That will be a good recruiting tool and guarantee coverage in the shop.

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

Timeline for focusing and re pricing my inventory on a market day supply theory will happen immediately. Having several discussions with my management team, we are all on the same page. We are seeing \$750 increase on gross on cars that have been here for less than 20 days.

Timeline for my recon from 15 days to 5 days is 1st quarter of 2019. My fixed ops director must spend some time on finding the right people to achieve desired goal.

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: For re-pricing and focusing on market day supply, several meetings and training with VAuto rep for my management team. Recon time, meeting with my fixed ops director about the vision of the store.
- b. What: Several meetings with management to discuss new philosophy on pricing pre-owned. Several meetings with my fixed ops director on hiring process and switching hours in the shop.
- c. By When: re-pricing will happen right away. Getting my recon time down will include couple of things like hiring more people and switching tech hours. Hopefully will hire two more people and switching hours by the 1st quarter.
- d. How: Training with VAuto. Putting want ad in Indeed and are Facebook page for another tech and detailer. Working with my management team and marketing team how to promote new hours for the shop to the community.

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:

