

Management Action Plan – VO1

Student Name BRIDGETTE KING

Dealership: ENERGY COUNTRY FORD

Class & Student Number: 339A 12

Current situation or challenge you want to address (narrow your focus):

MANAGE USED VEHICLE INVENTORY BY MARKET DAY SUPPLY

RATIONAL PRICING – BASED ON SCORING and AGING OF INVENTORY BASED ON MARKET PRICING AND COMPETITIVE SETTING

MONDAY MORNINGS FOR 2 MONTHS – IDENTIFY 5 BLACK BANANAS AND MAKE SURE GONE BY SATURDAY

IMPROVE TURNS

HARD TURN – 30 DAY SUPPLY

Overall objective (goal) and specific desired results:

DEAL WITH BLACK BANANAS

INCREASE MY INVENTORY TURNS FROM 6.6 TO 10

ACHIEVE AN OVERALL INVENTORY AVERAGE OF NO MORE THAN 70

SCORE ALL INVENTORY

INCREASE GROSS PROFIT AND VOLUME

FLIP MY STORE FROM DEPENDING ON NEW VEHICLE SALES TO USED

Increase ROI to 10%

Describe your action plan in detail (including before and after measurements):

BUY AND INSTALL V AUTO:

Currently we are using dealer track for market day supply and it is not as accurate as V Auto

We tested a few vehicles in our inventory at the NADA convention

After installing V Auto we will be able to accurately measure our inventory market day supply, cost to market pricing and competitive setting pricing. We will aggressively pursue stocking cars that sell quickly

BASE BUYING AND STOCKING DECISIONS ON V AUTO MODEL

AVERAGE INVENTORY MARKET DAY SUPPLY OF 70 DAYS OR LESS

STOCKING LEVEL OF 30 DAYS BASED ON LAST MONTHS SALES

PRICE UNITS BASED ON COST TO MARKET AND AT 30 DAYS UNLOAD THE VEHICLE

DUE TO MARKET COMPRESSION

Timeline: What is your implementation date? Describe specific short-term and long-term checkpoints to monitor progress.

V AUTO WAS BOUGHT AT THE NADA SHOW

TRAINING IS HAPPENING THIS WEEK 2-05-2019

BLACK BANANA THEORY IS BEING RESISTED HOWEVER IT WILL GET DONE

PHONE TRAINING WITH DALE POLLAK ONCE V AUTO IS INSTALLED

APPRAISE UNITS WITH VAUTO MODULE

PRICE UNITS IN THE GREEN ZONE FOR MARKET PRICING

EVALUATE COMPETITIVE SETTING DAILY AND ADJUST ONGOING

PULL USED VEHICLE LIST DAILY AND WRITE IN MARKET DAY SUPPLY NUMBERS

MANAGE THOSE NUMBERS DAILY BY HAVING A CONVERSATION WITH MANAGEMENT

FORCE BLACK BANANA SALES WEEKLY

Meeting with Stakeholders (dealership personnel):

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences, including timelines / accountability / process monitoring activity.

1. Who: GSM
2. What: Mindset that ROI is lost after a unit hits 30 days old

V Auto training is required

Continual training from Dale to reinforce cultural change

This will be an ongoing project. The Dealer will be directly involved in training

And holding GSM accountable for volume and gross increase and an increase to 10 turn then 12 by the end of this year.

3. By When: By the end of 2019
4. How: Direct Dealer involvement and training With Dale Pollak

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 Mom is the Dealer and my sponsor and she will get this done
