

Management Action Plan – VO1

Student Name: Billy Kirchhofer

Dealership: Neil Huffman Chevrolet Buick GMC

Class & Student Number: 342-06

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

My current biggest challenge is my timeframe for vehicle acquisition, to online, through reconditioning process, and (25) minimum photos taken is taking on average 10 days.

Overall objective (goal) and specific desired results:

Upon vehicle acquisition, publishing vehicle online, mechanical (internal) and cosmetic reconditioning, detailing, and photographs taken within 5 days of acquiring vehicle. Once this goal is accomplished then move the needle to 3 days as NADA guide follows. (Our current average is 10 days).

Ultimately by obtaining desired results this will lead to a dramatic increase in total used car department gross and net. Sales associates will be happier selling more cars with more commissionable gross. Increased volume/market share.

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

Upon acquisition of a vehicle under 80,000 miles, a service repair order is started, the vehicle then detailed and photographed (25 pictures). Once repair order is opened, parts department can pull oil filter if in stock, if not, will have parts picked up while vehicle is in detail. Once vehicle is photographed and photos are online, service begins the mechanical reconditioning process. Vehicle should be inspected on the first day after detail and photos are done. Decisions on recommended service/repairs will be made while the vehicle is still on the rack. If any parts are needed that are not in stock, parts will be either picked up or special ordered overnight. If parts are in stock, the vehicle will be completed while the vehicle is on the rack. Once the vehicle is completed, or parts have to be ordered, the next vehicle is to be pulled in and inspected. Same process as above.

On vehicles over 80,000 miles, the used vehicle inspection will be done prior to detail. The vehicle will be washed and vacuumed before getting photos performed. We don't want to spend the money on detailing a vehicle, if it will be going to auction. Once inspection has been performed, the decision on repairs/services are made while the vehicle is on the rack. If repairs/services are authorized, and parts are in stock, the repairs are done while the vehicle is on the rack. If parts are not in stock, parts will either be picked up, or delivered overnight, and services/repairs will be done next day. Another used vehicle will be pulled in once vehicle has been removed from the rack. Same process as above.

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

Service manager runs open repair order list,, on a daily basis, and reviews open used cars with used car advisor, used car tech and used car manger to ensure that the steps are being followed and vehicles are on the lot in the timeframe set in place. If steps aren't being followed, or vehicles not getting on the lot in 5 days, there will be a counseling session with whomever is causing the vehicle not to get done in a timely manner.

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: General Manager, Used Car Manager, Service Manager, Used Car Advisor
Used Car Technician
2. What: We will conduct a daily 10-15 minute daily meeting with said parties above in which we will communicate on each used vehicle and follow up from the previous day to increase velocity/turn. We now have a spreadsheet built and installed on our company shared network, this document will allow us to track on a day by day basis what step the car is at before hitting the lot. In order to ensure efficiency the used car manager puts every vehicle in the spread sheet with the day the vehicle was traded in. The service advisor will then put the repair order number on the spreadsheet with the day the vehicle was written up. The used car technician updates the spreadsheet as vehicles are inspected, work approved/declined, and repairs/maintenance completed.

3. By When: Starting the process March 1st. Spreadsheet on shared drive was just installed. Target date of April 1st should be getting vehicles on the lot within 5 days of acquisition.
4. How: Continue to follow the processes put in place, and documented above, to ensure that the vehicles are on the lot within 5 days of acquisition. Then move to 3 days.

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:

Shane Huffman (owner/sponsor) was extremely excited to hear that we have a process set in place to get used cars on the lot. Our auto group is looking to sell 5,000 total used vehicles in 2019. This process will allow us to get the vehicle visible online earlier in the sales process, and have the cars front line ready within 5 days. This will help us sell more vehicles and retain more gross profit on the front end of our used car deals. He couldn't be happier with the progress we have already had with the processes set in place.