Student Name: John Roa

Class & Student Number: 344 - 17

Academy Week (Var II): 5

Current situation or challenge you want to address: (must be quantifiable)

Our biggest challenge is turning our new car inventory quicker from the current 3.4 to a manageable

turn of turn of 1.5.

Overall Objective and **Specific** Desired Results:

The objectives are:

1.5 turn ratio

450 units on the ground from our current 330

Front gross profit of 1000 per unit.

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

Price aggressively to generate action on stressed units.

Create aged inventory areas on lot for maximum exposure.

$1 extra bonus per day for inventory over 90 days.

$500 flat bonus for 20 oldest units (Updated weekly)

Timeline:

Describe specific short term and long term checkpoints to monitor progress

- Purification of inventory every Monday morning to create hit list and place

  Aged inventory in proper area of dealership.

- Review turn ratio once month to identify improvements or make adjustments.
- Quarterly review at the end of September of turn ratio.

Meeting with Stakeholders (dealership personnel)

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences (PINO, Gain, Pain). Include timelines / Accountability / Monitoring process

  a. Who: Thomas Borah and Steven Wepryk
  b. What: 1.5 Inventory Turn
  c. By When: September 30th 2019
  d. How: Strict weekly and monthly purification of inventory. Price to market on all inventory.

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:

We all acknowledged the issue with aging inventory and its direct impact in profit margins as well the daily cost in our for plan. It is my commitment to get our inventory turn down to 1.5 by taking the steps described beforehand.

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