

# Management Action Plan – VO1

Student Name: Alan Martel

Dealership: McFarland Ford

Class & Student Number: N-348-335

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

McFarland Ford wants to increase its turn rate on Used inventory.

## Overall objective (goal) and specific desired results:

McFarland Ford is currently turning their Used inventory at a rate of 6.9. In the short term we feel that we should be able to increase this turn rate on Used inventory to 9.0.

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

Current measurement through the month of June is 323 units for a monthly average of 54 units.

At the end of the month of September we will have increased the turn rate to 9.0.

This is a monthly average of 65 units per month and a total of 585.

This will increase annual gross profit by \$646,419.

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

Implementation date is August 1, 2019.

Mid month check up on August 15<sup>th</sup> and September 15<sup>th</sup>.

### **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: Chris Lane (DP), Bruce Sellar (UCM) Alan Martel
2. What: Increase used turn rate, services dept to speed up, recon dept to speed up, both departments need to adjust their workloads, schedules and manpower to accommodate and become accustomed to the new speed and unit workloads.
3. By When: August 1st
4. How: Service dept will need to hire two more technicians. Recon dept is being outsourced and current recon dealership employees will be reassigned to other departments.

### **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:

The meeting went very well. Sponsor was well aware of our intentions to increase the turn rate and he has authorized all department heads to implement all the necessary changes to needed to facilitate this increase.

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