

Management Action Plan – VO1

Student Name: Johnny Chang

Dealership: Crevier BMW

Class & Student Number: PAG014

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

Used car front end gross profit

We're avg \$351 YTD and the challenge aside from the competitiveness of the market I feel we're cheap selling our cars do to our turn policy and pricing strategy.

Overall objective (goal) and specific desired results:

My goal is to turn our inventory at the same rate but not missed gross opportunity. I would want to increase our front end gross profit to \$1000 per unit.

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

*Have a better loaner inventory this will allow better used car inventory

*Retired loaners according to factory support this will allow better turn and more gross

*Coach my Used Car Director MKT day supply vs Price to MKT, this will help implementing new pricing strategy.

*Coach my Used Car Director new vAuto's profit time strategies: Balance the equation= Rolling 30 days sales vs in stock inventory to calculate inventory health. Change our Assumptions and Approach= Calendar time dose not equal MKT potential and the amount of time we had the vehicle also does not equal to the amount of profit

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

A.S.A.P

Will monitor progress quarterly as each checkpoints can continued monitor and make adjustments as long-term plan.

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: Eric Grombacher
2. What: Used car Director
3. By When: Starting Q4
4. How: 1st meeting is to pull all inventory and using profit time to get ROI ranking and show Eric the potential and gets his buy in on this pricing strategy. Set up 2nd meeting as lunch meeting and go over my expectation and create a solid process with his input so he'll be accountable for the result.

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:
