

# Management Action Plan – VO1

Student Name: Luke Sillar

Dealership: Darcy Buick Gmc

Class & Student Number:

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

Our current turn rate is nine turns a year. I would like to increase our turn rate to ten turns a year and have our oldest car be under sixty days old.

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

By increasing the turn rate from nine to ten turns it will help all the departments in the dealership. Number one it will help limit the amount of aged inventory and keep all the vehicles under sixty days. It will help service and parts because we will be doing more internal work with the increase in used car inspections. Simply put we will be gaining more customers that will use the services our dealership provides.

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

The first step in the process is to have a meeting with all the players involved so each person knows their role. A clear vision will be established so everyone is on the same page. It will all start at the appraisal we must have a clear exit strategy before we take the vehicle in on trade. We will embrace v-auto software so we watch the market days supply before taking the car in. Plus we will make sure the retail sales price is priced

accordingly to the market. The biggest area for improvement at our store is to continually adjust the price as the car ages. Currently we do not adjust our pricing enough, to always stay in line with the market. As evidenced by our used car portfolio now we have our oldest cars priced at 104% to market. This is not acceptable we need to make sure that our oldest inventory is priced below 100% to market. Our plan will put one person in charge everyday of adjusting our prices to keep up with market conditions. The final component to the plan is to constantly train our sales staff. They will know the used car lot thoroughly. We will do daily lot walks and check the fresh trades as they come in. We will also have weekly v-auto meetings with our representative to constantly improve our process.

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

In the long term we will measure this over the final quarter of the year, from October to December. In the short term we will address the inventory every Monday meeting and each day we will check the prices on the cars. We will also meet with our rep from v-auto every two weeks.

**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: This is a culture we must create so the entire sales department must be involved.
2. What: Our process must be developed and implemented. Now there is not a clear process.

3. By When: Final quarter of the year from October first to December thirty first.
4. How: Train the sales and management staff and establish a clear vision so everyone understands the end goal and knows their role in obtaining it.

**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:

I can proceed with this plan on my own. The timing of the used car class was perfect because we were already trying to address this matter before. Therefore the meeting went great with Nick Darcy our general manager.

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