

Departmental Action Plan Template

Student Name: Kenny Gersch

Class & Student Number: N351 & 12

Academy Week (Var II):

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

Current situation that I need to address is my months supply of new vehicle inventory. We are currently at a months supply of 5.14. Long term I would like to be close to a 3 month supply, but I also understand that it doesn't happen overnight. The next 3 month will be a focus to get on track for that target.

Overall Objective and **Specific** Desired Results:

My objective over the next 3 month is to get to at least a 4 month supply of new vehicle inventory. I believe this is achievable by year end and will put me on track for the long term goal of 3 months.

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

The composite measurement is on page 6 column 6 line B. Currently we are showing a 5.14 months supply. The goal before next class is to be at a 4 month supply. I believe we will achieve this if we are disciplined in our factory allocation. We have to pass on undesirable vehicles and focus on higher demand and faster turning units. We also have to keep an aggressive, volume based pricing strategy. Similar focus as our used car inventory. We will also review and discuss inventory levels on any dealer trade requests. This will help us decide if we need to take a vehicle back on dealer trade or sell the vehicle outright.

Timeline:

Describe specific short term and long term checkpoints to monitor progress

This is a measure that will be monitored monthly. It will be reviewed prior to submitting factory consensus as well as during any dealer trade decisions.

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: Dan Cholly(New Car Manager) and Roger Johnson(Dealer trades)
- b. What: Train on where to find the months supply measurement in the composite. How to pass on undesired inventory when submitting factory consensus as well as requesting faster turning, more desirable inventory. Review all dealer trades together.
- c. By When: First consensus cycle in November
- d. How: As a team in my office we will discuss the goal and all training points as well as any barriers we may run in to along the way.

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 well. We had a very good discussion on how this will affect the floorplan expense. Obviously that in turn increases the net profit.
