

Departmental Action Plan Template

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Academy Week (Var II): New Vehicles

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

Under the current business conditions, it is imperative that we capitalize on as many opportunities as possible. It's impossible to capture new and incremental business if we aren't aware of the opportunities. Our sales department is divided into four primary quadrants: Fleet Sales, Retail (Non-Fleet) Sales, Municipal Sales, and School Bus Sales. By examining available data, we discovered our largest area of opportunity lies within the Retail (Non-Fleet) quadrant. The data set and subsequent results were not complete, but were sufficient for the purpose of this exercise. We discovered our awareness rate to be 2% in the Retail category. Of the opportunities we were aware of, we participated in 59% with a closing rate of 22%, resulting in a Retail market share of 0.28%.

Overall Objective and **Specific** Desired Results:

The objective of this exercise is to identify the greatest area(s) of opportunity for conquest and incremental new truck sales. Our Retail market size is estimated at 1,776 trucks. Our goal is to achieve 5% market share in the Retail sector by raising our awareness rate from 2% to 35% (625 units) our participation rate from 59% to 80% (500 units) and our close rate from 22% to 30% (150 units). We believe this is achievable over the course of 36 months with a target date of December 31st, 2022. In achieving these objectives, we will increase our new Retail truck sales from 5 units to 150 units annually.

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

Using available POLK data from the past 13 months, we discovered a total of 7,529 class 4-8 trucks were registered in our AOR. We placed each registration in one of our four new truck sales department categories: Fleet Sales, Retail (Non-Fleet) Sales, Municipal Sales, and School Bus Sales. Each sales quadrant has an account manager responsible for the respective market. By meeting with each sales representative, we were able to remove non-applicable and errant data then review each remaining registration to determine awareness, participation, closing, and loss rates. While there is opportunity for improvement in each division within our new truck sales department, we discovered “low-hanging fruit” in the retail data. Here is a synopsis of the collected Retail data:

Row Labels	Total DTU's	Awareness	Participation	Units Won	Units Lost
Retail	1776	39	23	5	18
Grand Total	1776	39	23	5	18
		2%	59%	22%	78%
		Retail Market Share		0.28153%	

Once all the data was disseminated, we met with the Director of Fleet Sales as well as our Chief Operating Officer to propose / discuss solutions and determine how/ if these organizational adjustments fit within the “big picture” of the company.

The next step will be to divide retail purchasers into product classes (or market segments) to better understand the nature of our marketplace. This exercise will require us to become more knowledgeable of the customers within our territory, thus accomplishing multiple objectives concurrently. For instance, we will classify purchases as “Landscaping”, “Vocational”, “Line Haul”, “Regional”, “OTR”, “Construction”, “Heavy-Haul”, “Moving & Storage”, “Food & Beverage”, etc.

By understanding all the unique end-users and their core businesses, we can devise a go-to-market strategy by examining where our strengths coincide. For example, if we see opportunity in the Moving & Storage industry, we will target those customers with our MV product line by developing a solution-based strategy specifically for that market segment.

Timeline:

Describe specific short term and long-term checkpoints to monitor progress

Our Retail improvement initiatives will be met by December 31st, 2022 with regular progress checkpoints along the way.

Beginning March 1st, 2020, we will welcome a Sales Director to the Cumberland organization. One of the responsibilities of this new position will be to analyze our sales department processes and personnel to ensure appropriate efficiency and productivity as required to achieve our improvement and performance goals.

Each month, a report will be generated showing MTD and YTD awareness, participation and closing rates. A review of each opportunity will be conducted with the appropriate sales personnel.

Sales blitzes will be conducted on a quarterly basis to raise mutual awareness and participation.

If marked improvement not achieved within 6-months, we will make a determination whether to replace and/ or add head-count to our retail sales quadrant. Determiners will include increasing awareness from 2% to 9%, participation from 59% to 61%, and closing from 22% to 23%. This is indicative of the improvement we expect to see every six-months until overall departmental goals are met in 36 months.

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:** Arthur Garcia / Chris Randall
- b. **What:** New Truck Retail Sales Improvement Plan
- c. **By When:** December 31, 2022 (36-Month Plan)
- d. **How:** Holding management and salespersons accountable for knowing their marketplace. As Middle Tennessee continues to evolve, so does our customer base. It is imperative that our salespersons stay on top of these changes to the best of their ability in order to achieve the goals listed above.

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:

 , COO, 2/3/20.