

Management Action Plan – VO1

Specific – Measurable – Achievable – Relevant – Timely

Student Name: Kyle Gaines

Dealership: Washington CDJ

Class & Student Number: 364-29

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

As a dealership I want to work toward lowering our recondition on used vehicle and focus on market day supply. Before I really didn't pay much attention to that and now I see how important it is. We are spending a lot on dent repair and paint chips. If we can focus in cutting cost in that department we will in return have GORI. Our dealership is currently at \$956 per a used vehicle. Our goal is to reduce this 20% to be at an average of \$765.

Overall objective (goal) and specific desired results:

We are currently at an average of \$956 per a unit. I want to as a dealership lower that by 20%. If we reduce this number and combine our average total number of used vehicles a month this could add \$7,258 to the bottom line a month and over \$87,000 yearly.

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

I plan on monitoring our inventory from the beginning and keep better track of expenses. I will work on trying not to make a used car look new. I want to put my hands on every trade/purchase vehicle that goes through our service department. I

have just hired a Service Manager and work hand to hand with him. Check on expenses during this time and keep them in line. A recon policy will be put in place during this time to hold staff accountability.

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

I have been constantly keeping track of the recon starting Sept 2020, but look into cutting back certain things. For example, keep an eye on how many details are done on each vehicle, fuel cost, major repairs and make sure it doesn't affect to price to market. Long term (end of 4th quarter) goal is going to help the bottom line and GP %. This is a process that is going to be track monthly and see what needs to be corrected and what is working.

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: Kyle and Service Manager
2. What: recon cost
3. By When: by end of 4th quarter
4. How: have weekly meetings on used cars and a game plan for each vehicle, treat every trade in different

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:

Signed by:
