

Departmental Action Plan

Student Name: Austin Germain

Class & Student Number: N322

Academy Week:

Current situation or challenge you want to address:

Inventory management to mitigate wholesale loss

Overall Objective and Specific Desired Results:

- Priced right out of the gate
- Continual pricing changes based on the data, VDP, SRP, data, calls, leads
- Make a decision on day 30 versus keeping it longer for 60-90 days
- Take back that 100k and it goes right to the net
- Focusing an entire individual just on proxy bidding is a terrible use of time. Tom Murphy from Cox says you win less than 3% of the cars you bid on. Meaning if you bid on 600 cars you win 18 cars.

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

- Find an internship or individual that graduated from Miami or Ohio (reach out to Miami alumni association), or hire someone directly from Vauto
- Optimize and maximize
- Find someone who works offsite and only looks at metrics, not driven by their previous experience selling, or their interest in specific units.
 - Pay the individual a salary

- o Don't just focus on buckets focus on the analytics that drive VDP and SRP relevance. Its almost a stock broker, not a used car manager.
- Our first bucket is 87% price to market because we don't have the foot traffic that other stores do. Versus doing 97-100% for the first 30 days.
- Were competing against disrupters like car max, that has captive lending, and prices 120% cost to market day one.

Timeline: Describe specific short term and long term checkpoints to monitor progress

- Short term
 - o Hire on intern
- Long term
 - o Hire intern to fulltime if they work out
 - o Lowering of wholesale loss
 - o Faster inventory tern
 - o More leads on inventory
 - o Lower price to market in first bucket

Meeting with Stakeholders (dealership personnel)

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences. Include timelines / Accountability / Monitoring process

- a. Who: Myself, and Rich Newsome GM, corporate recruiter
- b. What: meeting about position, as well as recruiting vision around it
- c. By When: January 1, 2018

d. How: ohio state career fair, vauto, financial statement

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:

Had the meeting already regarding the position. Loved the idea, but its going to take time because we don't just want to hire the first person that comes across our desk. We need to put boots on ground at career fairs at colleges across ohio. It has to line up with a period of time that makes sense for an internship, most likely summer, and then go on from there.
