

# Departmental Action Plan

Student Name: Auntwan Armstrong

Class & Student Number: 323-03

Academy Week: 4

**Current situation or challenge you want to address:**

**Aging problem in used cars.**

**Overall Objective and Specific Desired Results:**

**Decrease aged inventory and implement a turn policy for pre-owned cars. Start by going to a 90 day turn and work our way down to a 60 day turn.**

**Describe your action plan in detail (be specific and include before and after measurements) To reduce the age of my inventory, I will need to look at my inventory and make sure I have the correct mix of cars. I will look at what has been selling in my market and check my inventory against what is selling. I will need to look at my oldest vehicle in stock and make sure they are priced right in the market and have correct vehicle descriptions on the internet. I will also check the market day supply of the vehicle to make sure it does not have a high day supply. If the vehicle has a high market day supply and low VDP's, that vehicle will be sent to the auction. If the vehicle has a low day supply and low VDP's, I will need to find out why. ( is the vehicle**

clean on the inside, does it have body damage or is it just staged wrong in our inventory.) We will sit down as a team, my used car director and myself, and come up with a list of vehicle we need to buy at the auction. We will look closer at the vehicle we trade for and what vehicles we keep and what we send to the sale. Have a game plan for the inventory and an exit strategy for the vehicles we need to get off of.

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

We have the ability in our key system to run a report that tells us how many times a vehicle has been shown. I will run this report once a week to check to see what vehicles get the most action and what vehicles get limited action. At 15 days with limited action we will make sure the vehicle has proper descriptions on the internet and make sure it is price to the market. At 30 days with limited action, we will red tag the vehicle on the lot and stage it in our price to sell area. At 45 days the vehicle will be priced to sell and ready to be sent to the auction. If the vehicle does not have any activity and low VDP's during this time frame it will be sent to the auction.

### **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: Pre Owned sales director and GSM

- b. What: Reducing age vehicles in Pre-owned
- c. By When: December 31, 2017
- d. How: Daily meetings to discuss the age of inventory and looking at VDP's and making sure vehicles are priced to market.

**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:

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