



DEPARTMENTAL ACTION PLAN

Variable Operations 1- Pre-Owned

OBJECTIVE:

Identify current situation(s) to address for the Pre-Owned department.

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N323-46

Current situation or challenge I'm addressing:

- I want to address the Market Day's Supply of used vehicles over 30+ days.
- I am currently investigating why the dealership is or is not concerned with the supply of used vehicles on the lot, and what steps have they taken or are taking to resolve this situation without disrupting the flow of the business.
- I want to know the opinions of employees in each department about how effective the communication is between the Sales Department and Service Department, specifically regarding staying on top of reconditioning Used Cars so that they can market these vehicles for sale, and if they comfortable enough to voice their concerns and/or complaints to management about how to go about making this issue a priority and steps they can take to improve the efficiency and productivity amongst these departments.
- I want to know who is held accountable within these departments for making sure that these cars are marketable/sellable and, if the improvements in marketing strategies discussed have made positive steps towards maximizing their Gross Profit potential.

Overall Objective and Specific Desired Results:

- I would like to implement various strategies and tactics that I learned during week 4 Variable Ops 1 and discuss how the employees can use these strategies to become more motivated and not feel limited in their position, leading to reasons as to why certain employees have become complacent in their position.
- Increase healthy competition amongst the departments, and not make it about sales, but about placing value on the merchandise and the dealership (feeling a sense of confidence and pride when it comes to being efficient and motivated by other employees when approaching current and new customers.
- I ultimately want to “remap” the thought process of how our employees think in 2017 and going forward.
- I want to encourage them to move past their comfort zone and grow as a team, to encourage everyone to be the best they can be and know that there are opportunities that are available to them to learn and grow, not just monetary incentives. This can be done through a “Work/Study” program, that allows them to continue their education or have the opportunity to attend a Vocational or Tech School, if they never had the resources to achieve a higher degree and/or certificate of completion in their field of choice. Also, an opportunity to attend a “Career-based Program”, such as the NADA to improve in their position and learn about other positions that are available at the dealership and how to achieve their goal(s), which in turn promotes confidence, as opposed to the different departments operating under one roof and feeling as though there is limited opportunity to improve the dealership’s overall performance.

Action Plan

The main purpose of my action plan, is to get all employees at the dealership on board in understanding that each department must work together to achieve goals, and to bring about awareness of the key changes and major shifts that have occurred within the last 10 years, in terms of marketing strategies, the utilization of technology that directly affects how our customers are choosing to do business, and how our customers expect us to do business. And lastly, be aware that our competitors and non-dealer competitors are aware of this shift, and it is very important that our employees are not bereft, but are given tools to increase competency.

While rethinking how we do business is crucial to the proficiency of the dealership, it also important to adhere to the “status quo,” of how we operate and maintain the “culture” of the dealership that our customers have come to expect, and what still keeps our employees loyal today. Each employee, if they don’t already exercise this practice, need to hold themselves accountable, and other employees accountable where they see fit; this process includes, but is not limited to, moving past complacency, asking for help or training in certain areas in which they are not proficient, having a voice and implementing a system where they have the opportunity to make suggestions on anything they feel is not operating as it should or suggest ways to maximize sales and gross profit within the dealership, not just within their department. And most importantly, being assertive without becoming aggressive and offending others.

This action plan is not about comparing MTD/YTD numbers, but by allowing employees to actually see from a 3rd party perspective, what people actually witness in hopes that they humble themselves and realize they aren’t as proficient in their position as they thought, and getting a weekly paycheck doesn’t mean that are performing at an outstanding level of expectation. Through use of hidden cameras, secret shoppers, and by presenting the footage of what is really happening when they continue to execute daily tasks as they have been, and what happens when a “dissatisfied customer” leaves due to having a mediocre experience with an employee that does not exemplify competency of the current climate of business practices, which in turn opens the door for the customer(s) to take their business elsewhere. This is **“Undercover Boss’ Daughter.”**

Objectives / Strategies / Tactics

- ✦ Stakeholder meeting discussing short-term / long term progress checkpoints needed to support desired goal.

What:	By Whom/Who's Accountable:	By When:	How:
Track sales & return customers	<ul style="list-style-type: none"> ✦ Salespeople ✦ Sales/Service Managers ✦ Service Dept. ✦ F&I 	Daily/Weekly/Monthly	Contacting customers frequently and getting them in for maintenance
Manage daily/weekly customer appointments	<ul style="list-style-type: none"> ✦ Salespeople ✦ Sales Managers 	Daily/Weekly	Contact and customers that have done business in the past or work with Marketing to have them focus on vehicles that are ready to sell
Conduct daily Sales/Service Dept. briefings	<ul style="list-style-type: none"> ✦ Sales/Service Dept. ✦ F&I 	Daily/Weekly	Find a time when everyone can get together and discuss progress or needs for improvements

Updates on condition & inventory count of Used Vehicles	<ul style="list-style-type: none"> ✚ Salespeople ✚ Sales/Service Managers ✚ Marketing 	Daily/Weekly	Discuss at the daily/weekly briefing
Communication/appointments for Recon. of Used Vehicle Inv.	<ul style="list-style-type: none"> ✚ Salespeople ✚ Service advisors and/or technicians ✚ Sales/Service Managers ✚ Marketing 	Daily/Weekly/ Monthly	Keep the lines of communication open with Service and touch-base about progress
Showroom maintenance	<ul style="list-style-type: none"> ✚ Salespeople ✚ Sales Manager ✚ GM ✚ Marketing 	DAILY!!!	Salespeople/SalesManagers do a walk-around when times are slow and make sure it's inviting and ready to conduct business
*Random inventory/sales knowledge monitoring checks for sales employees	<ul style="list-style-type: none"> ✚ Salespeople ✚ Sales/Service Managers ✚ Marketing ✚ GM 	RANDOM!!!	<p>*Are the salespeople aware of the number of Used Vehicles in inventory?</p> <p>*How are they managing their pricing strategies (pricing before discounts &</p>

			after discounts)? *Are they competent in how to approach a customer in the attempt to gain trust for repeat service when trying to make a sale? *Have they been properly trained? *Implement a 3-Strike Policy for those that show no improvement or do not hold themselves accountable and ask for additional training
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Dealer Agreement

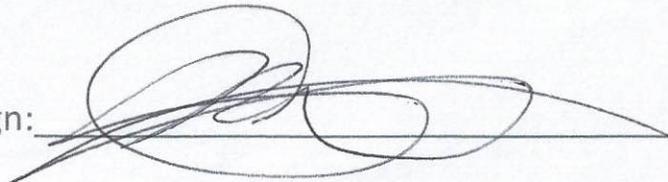
Describe what we've discussed.

- ❖ Pricing structure for used vehicles, that tiers the pricing as the vehicle ages exception is specialty vehicle.
- ❖ Re-priced all units and kept detail of original pricing when customer called and said they were watching price we gave them the lower price.
- ❖ Hired Internet Sales Manager plus sales person. Kept BDC staff and now the Manager is assisting and taking over the call when the BDC person is stumbling. The BDC can set the appointment but the Sales person is confirming all appointments.
- ❖ Discussed SEO and other placements of inventory placement besides the Tropical Ford, Ford, Autotrader, CarGurus, Programatic. Adding additional dollars to SEO if possible.
- ❖

Sign: Linda M. Walsh GM-CFO

Date: 9/21/17

Sign:



Carmen N. Massey

Date: 9/21/17