

Departmental Action Plan

Student Name: Chad Shoeman

Class & Student Number: N325-30

Academy Week: Variable Operations 1 Pre-owned

Current situation or challenge you want to address:

I want to address the Service drive customer base and the equity mining potential in the store every day. We currently have eLead as our CRM tool that has equity mining tool which has been turned on. I am looking at also turning on Auto Alert as well.

Overall Objective and Specific Desired Results:

The overall objective is to acquire more vehicles which will lead to more sales off of our current service customer base. The service drive is never worked by the sales staff and I know that there is a huge opportunity to buy and trade for some prime pre-owned vehicles every day off the service drive. I believe that to start we should see an increase of 10-15 units a month. We currently have very few service to sales conversions in a month. By staffing it with dedicated people with a specific process I believe it can generate measurable results in all departments.

Examples:

Service and Parts- Repair work, recon, warranty, recalls etc.. Average Recon is 950/unit

Sales- Could generate a vehicle sale, create a trade. Average 2300/unit

Used Vehicles- Will raise our inventory level to have a bigger presence online etc.. This will increase our opportunity to do business with increased internet leads, phone calls and showroom traffic.

Wholesale- Not have to buy from auction as much. This saves on all fees and transportation costs. Average is 475-550/ unit so our gross profit per unit on these acquisitions should see an increase.

Gross Potential – If we make just 10 transactions in a month the Gross potential could be $2300+950+550= 3800.00$ per transaction.

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

-Develop the process and staff this program with 1-2 dedicated sales consultants to work the program. These will be specific positions in the store.

-Get training for the managers and the staff from Elead and Auto Alert on how the program works. What to expect if it is worked properly and what the average conversion percentages are.

-Measure the number of vehicles being appraised on a daily basis. How many captured vehicles (traded which generates a vehicle sale) and Purchased units.

-Evaluate the missed opportunities as well. Make sure we are not appraising vehicles on EMOTION, but rather we are using Vauto and other tools to put a number on the vehicle.

-After just 30 days we can track the increase. We can track the deals that we do specifically off this program and develop a report to see how much gross was generated from start to finish on these specific deals.

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

-December 15th have everyone trained on the system and a written process developed.

-Launch the program on the 1st of January, 2018

-Monitor the process daily by the sales managers and hold the team accountable to follow it. All expectations need to be clearly explained and understood by all involved.

-Monthly meetings to evaluate progress, set goals and discuss opportunities.

-Track all metrics monthly.

-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: **GM to hold meeting. All employees need to know what is going on. Sales managers and team will understand the process.**
- b. What: **Sales Managers will monitor, coach, train and make sure the team is held accountable. If the team does not follow and is not willing to do the process they will be moved out of the program and**

someone else will be given the opportunity. When the program is run properly, these positions should be desired.

- c. By When: **By the 15th of December the involved employees will understand the new program and sign a copy of the written process of what needs to take place and what the expectations are of all the positions.**
- d. How: **GM will hold a meeting with management and the team members to go over the entire program.**

**-GM
Sales Managers
Service Managers
ASM's
Parts Manager
Countertermen
Operator**

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: **Our other store started this program a month ago. We like what we see. As with any new program or process it needs to be monitored. Expectations that are set need to be monitored and followed up on.**
