Departmental Action Plan

Student Name: Sean Parauka

Class & Student Number: 326-94

Academy Week: Week 4

Current situation or challenge you want to address:

I inherited a situation where vehicles started out not being priced accurately or aggressively to market on day 1 and therefore that led to constant 90+ day aging of inventory. Also there was more rigidity in being flexible with pricing to close a deal on a used car.

The challenge I want and will address is: 1. pricing more competitive to the marketplace and 2. Greater flexibility in pricing to close a deal, which will lead to a faster turn rate of my inventory and greater gross over a year.

Overall Objective and Specific Desired Results:

1. Objective - Price pre-owned inventory more aggressively to market.
    a. Result – Faster turn rate of inventory and more gross over a year
2. Objective – stock more in-demand vehicles with a lower Market Day Supply
    a. Result – Faster turn rate
3. Objective – more detailed photos of inventory
    a. Result – greater transparency of inventory and greater confidence in our vehicles

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

1. Pricing
    a. Before: Start at the NADA retail price
    b. After: Using VAuto, price aggressively to market by determining where my pricing will rank with competitive/comparable vehicles in my market
2. Inventory selection based on Market Day Supply (MDS)
    a. Before: Mostly keep only VWs that are Certification eligible
    b. After: Using VAuto, further evaluate all trades to determine if some of them are in-demand vehicles and keep them for the lot
3. Detailed Photos
    a. Before: 8 photos of the exterior and 3 interior photos

b. After: More exterior photos including: under the hood, specific features such as navigation, sunroof, VIN#

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

1. Short term checkpoint – immediately implement my objective for photos with all fresh pre-owned inventory
2. Long term checkpoint: Use NADA's "Turn Analysis" Grid at 6-months and 12-months to see if there's improvement in turn rate and gross

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:

b. What:

c. By When:

d. How:

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: