

Management Action Plan – VO1

Specific – Measurable – Achievable – Relevant – Timely

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Dealership: Mac Haik Dodge Chrysler Jeep Ram Georgetown

Class & Student Number: VO1 Class N381

Current situation or challenge you want to address (narrow your focus):

I am going to address my used car reconditioning time. We are going to compartmentalize the reconditioning process between our two used car managers and Inventory Manager. Currently our Inventory Manager is solely responsible for the lifespan of a car during the reconditioning process. Due to this, the process breaks down during different steps of reconditioning. He is also the only one responsible for tracking vehicle's progress through our reconditioning software and subsequently the only one currently moving the vehicles in and out of the different stages of reconditioning. This leads to an average T2L of 7 days from when a vehicle whether it be a new car trade, used car trade or purchase unit lands on the lot.

Overall objective (goal) and specific desired results:

The goal is to expedite our reconditioning process by holding multiple parties accountable and reduce our T2L for all vehicles from an average of 7 days to 3 days. We will accomplish this goal by 9/30/2021.

Describe your action plan in detail (including before and after measurements):

The first step is we are going to assign each of the two used car managers and the Inventory Manager specific steps in the reconditioning process. We are going to break our reconditioning process into 3 stages and each stage has 3 steps. Each manager will be responsible for a specific stage for a total of 3 steps out of a total of 9. A vehicle will not be able to move from one stage to the next until the manager specifically responsible for that stage has marked that every step within their stage has been completed. This will make it possible for each manager to hold their departments colleagues accountable. If the manager of stage 2 receives a vehicle that has been marked as having completed stage 1 but it missed detail, or interior reconditioning, or pictures, etc.. they will be able to address it with the person who was responsible for marking that unit as having cleared the previous stage.

The second step is extensive training on our reconditioning tool once we have established the roles of each manager in the reconditioning process.

Matt Fasthorse (Inventory Manager) will be responsible for stage 1 which includes:

1. Stocking the vehicle in.
2. Detail

3. Photographs

Corey Maxson (Used Car Manager) will be responsible for stage 2 which includes:

1. Used vehicle inspection (includes ensuring all vehicles receive a L.O.F. regardless if front line ready already.)
2. Reviewing recommended repairs and authorizing or denying those specific repairs.
3. Ensuring parts are procured in a timely fashion to expedite the vehicle getting through the shop.

Dillon Cole (Used Car Manager) will be responsible for stage 3 which includes:

1. Sublet to our in-house vendors for windshields, PDR, interior repairs, headlight buffing, polish and buff, etc. Dillon will personally review every vehicle's condition and it required work and the condition of the work after the work has been completed.
2. Re-picture vehicles as necessary based on the interior and exterior cosmetic repairs that may have been present in our initial photos.
3. Move the vehicles to the front line.

The measurements we will use to calculate our progress of attaining a 3-day T2L vs our current 7-day T2L will be through our reconditioning software. Because each manager is responsible for specific stages and they are not able to move vehicles through their colleagues stages it will provide us clean data to make judgements and measure our progress.

In addition to this we are going to require all service tickets and vendor tickets have physical notations of when they received the units and when they returned them. The reconditioning managers will be the ones who makes this notation. It adds an additional layer of accountability and measurement. We will inspect the software daily but the actual physical tickets with handwritten times and dates bi-weekly to ensure the data being entered into the software is credible.

Timeline: What is your implementation date? Describe specific short-term and long-term checkpoints to monitor progress.

Our implementation date is 9/15/2021. The managers have been informed of their specific roles in the reconditioning process today, 9/1/2021. They have received instruction to begin familiarizing themselves with the software specific to their stage in the reconditioning process. We have scheduled our reconditioning software trainer to be in the dealership for 9/6/2021. He will make sure the permissions are configured correctly for each user and spend the entire week through 9/10/2021 training. On 9/13/21 and 9/14/21 we are holding a department wide meeting with everyone involved in the reconditioning process so they know exactly who they report to and who is responsible for each stage. We will go live on 9/15/2021. As with all new processes, we anticipate growing pains. By 9/30/2021 we fully expect to have overcome the hurdles in our process and have reduced our T2L from 7 days to 3 days.

Meeting with Stakeholders (dealership personnel):

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences, including timelines / accountability / process monitoring activity.

1. Who: Used Car Managers, Inventory Manager, General Sales Manager, and General Manager.
2. What: That the entire used car department is going to equally share the responsibility of expediting our T2L and it does not fall solely on our inventory manger.
3. By When: 9/1/2021
4. How: We are holding a meeting with all used car department managers and their inventory manager with the GSM and GM. The expectation and responsibility are coming from the top down. The GSM and GM are going to actively check the progress of our reconditioning process speed and help address any bottlenecks that arise.
 - a. The training requirements have been addressed above in our timeline section.

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:

The meeting went very well but like anytime there is change you can sense the reluctance. My used car managers are relatively inexperienced and have been “riding the wave” of COVID. They have relied on their inventory manager as a crutch and have focused the majority of their attention on retail. Direct involvement by the GSM and GM are going to be critical to the success of these new reconditioning processes. The Inventory Manager is grateful for the help. Everyone is on board but again it is going to take he help of senior management to ensure the process does not break down by monitoring our reconditioning software and physically walking vehicles in their different stages of reconditioning.

Signed by: *Ben Stapleton*
