HOMEWORK ACTION PLAN

SPECIFIC MEASURABLE ACHIEVABLE RELEVANT TIME-BOUND

Name	Heather Pauquette	Class #	N425
Dealership	Lundgren Subaru of Bennington	Date	11/13/2023

Current Situation or Challenge to be Addressed:	xLow used car turn rate		
Current Performance Level (include specific measure):	Currently our used car turn rate is 3.6 (based on September, 2023)		
Goal (what do you want to achieve?)	In the short term, I would like to increase our turn rate to at least 9, and over time build up to 12.		
Goal Performance Level (include specific measure)	Short tem goal, to achieve EOM February 2024, turn rate of 9. Long term, to achieve by EOM July 2024 to consistently be hitting a turn rate of 12.		
Goal Start Date:	11/13/2023	Goal End Date:	2/29/2024
First Check-in Date:	12/31/2023	Performance Objective:	Turn rate increased to 5
Second Check-in Date:	1/31/2024	Performance Objective:	Turn rate increased to 7
Third Check-in Date:	2/29/2024	Performance Objective:	Turn rate increased to 9
Fourth Check-in Date:	7/31/2024	Performance Objective:	Turn rate consistantly at 12
How does your goal align with the dealers' vision?	This goal will help increase volume and the net profit of the used car department. More efficiently spending and earning the capital used in the used vehicle department.		
What are the potential benefits of achieving your goal?	Benefits will be less frozen capital, increased volume, better investments, and increased net profit.		
What are the potential consequences if you don't achieve your goal?	Our used car inventory will continue to age, we will continue to spend too much on selling and holding costs. The healthy gross profit we achieve on our used cars will continue to be overshadowed by the expenses of holding so much inventory.		

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Why is the goal important to you?	The overall health and appearance of our inventory is what will keep the dealership profitable, and help gros the stores volume.
Potential Obstacles	Lower inventory levels than the staff are used to may cause concern or alarm. An unhealthy culture of if we don't have all the cars, how can we sell cars may creep in.
Potential Solutions	Good coaching and management of expectations, looking at the inventory as investment managers rather than sales teams. Sourcing and investing in the top 10 selling vehicles in our area at the right price point for us. Our average used car sale is $18,171 - inventory that averages to this sale price is our best fit.
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	If we were to increase our turn rate to the first goal of 9 turns, the initial impact will be increasing our gross profit from $92,668 to $194,775 and overall create a variance of $2.5 million dollars in gross. Once the overall goal of 12 turns is hit, it will create an additional $4 million in gross.

What specific actions or steps will you take to accomplish your goal? What will you do differently or improve? For each, be sure to include necessary resources, who is accountable, the measurable result, and dates.

SPECIFIC ACTION/STEP	NECESSARY RESOURCE(S)	ACCOUNTABLE PERSON(S)	EXPECTED RESULT	START, END, & CHECKPOINT DATES
Used car Study	Inventory report in Vauto	Sales & inventory managers	Clear decisions on what to do with each piece of inventory	Start 11/13/23 Check point 11.30.23 Decisions made 1st week of Dec.
Inventory priced to sell, or wholesaled	V Auto	Inventory Managers	Old age, or non moving bad investments cleared out	12/31/23
Monthly reporting of best selling inventory in our market	Pin power, V Auto, registration reports, exam reports	Management	Monthly inventory game plan set for the store. What models/ price mix do we need to acquire or move?	2nd and 4th week of each month at least

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Save a Deal meetings	CRM & Vauto	Sales Mgrs & Sales People	Acquire deals based on needed inventory we may not have stepped up on before	Daily
Making inventory decisions immediately	Vauto	Sales manager / inventory manager	Decide if an inventory piece is something we want to hold or move immediately	Day one in inventory
Pricing to move mistakes quickly or to hold platinum pieces	V Auto - profit time	Inventory manager	Mistakes priced to sell quickly to reduce frozen capital or holding costs, and most wanted inventory pieces held on to a bit longer to increase profits.	daily
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As you work toward your goal, it's important to have interim check points with specific, measurable objectives so your team can hold themselves accountable. If everyone knows the goal and objectives, you don't have to spend your valuable time micromanaging.

Once you've accomplished your goal, added or adjusted policies, procedures, and behaviors, now what? How will you ensure you and your staff do not fall back into the previous habits that produced poor results? Be specific.

By setting clear touch points, and biweekly check points old habits should die. Keeping holding costs and profit time top of mind will ensure that we are not sitting on inventory just to hoard it. "He who dies with the most toys, still dies"

Describe any planning or implementation meetings conducted as part of development of your plan.

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Sponsor Signature: ______________________________