



## HOMEWORK ACTION PLAN

S SPECIFIC   
 M MEASURABLE   
 A ACHIEVABLE   
 R RELEVANT   
 T TIME-BOUND

Name Ravneet Malhi Class # NADA430 - 04

Dealership Kia417 Date 2/13/2024

|   |   |                        |  |
|---|---|------------------------|--|
| Current Situation or Challenge to be Addressed:                     | Pre-owned Inventory 60 days + (Old and dead) = \$313,886  |                        |  |
| Current Performance Level (include specific measure):               | 8.3% of pre-owned inventory is under water  |                        |  |
| Goal (what do you want to achieve?)                                 | Reduce "Old and dead" inventory to under \$50,000   |                        |  |
| Goal Performance Level (include specific measure)                   | Currently 12 units are 60days+ and the goal is to reduce this to 2 units or less  |                        |  |
| Goal Start Date:  | 3/1/2024  | Goal End Date:         | 9/1/2024   |
| First Check-in Date:  | 4/1/2024  | Performance Objective: | Pre-owned inventory 60days+ should be reduced to 9 units |
| Second Check-in Date:   | 5/1/2024  | Performance Objective: | Pre-owned inventory 60days+ should be reduced to 7 units |
| Third Check-in Date:  | 6/1/2024  | Performance Objective: | Pre-owned inventory 60days+ should be reduced to 5 units |
| Fourth Check-in Date:   | 8/1/2024  | Performance Objective: | Pre-owned inventory 60days+ should be reduced to 3 units |
| How does your goal align with the dealers' vision?                  | Dealer's vision is to be profitables and this goal aligns with making sure that the pre-owned inventory turn rate is increased so that there are no vehicles sitting as "dead and old" and we no longer have the risk of losing \$313,886 in aged inventory |                        |  |
| What are the potential benefits of achieving your goal?             | The dealership will have a better pre-owned vehicle turn rate and make more profit  |                        |  |
| What are the potential consequences if you don't achieve your goal? | More pre-owned inventory will be sitting in aged inventory (60+ days) and will potentially cost the dealership in used car flooring interest and in wasted resources  |                        |  |
| Why is the goal important to you?                                   | The goal is important for mainting profitable operations and improving pre-owned department's performance   |                        |  |

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| Potential Obstacles   | Slow moving inventory - wrong models - or bad quality stock or stock with high acquisition cost     |
| Potential Solutions   | Wholesale/auction the vehicles that are 45+ days or sell them to other dealerships within the group |
| BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars) | Not have \$313,886 stuck in old and dead inventory  |

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   |
|---|----------------------------------|---|---|--|
| Weekly pricing analysis for pre-owned inventory   | Market research                  | User Car Manager and Group's Used car pricing analyst | Better turn rate when cars are priced aggressively and accurately | Month-end data to see the turn rate improvement  |
| Purchasing Analyst to assist used car manager in purchasing "in-demand" cars at correct acquisition cost  | Market data                      | Used Car Manager and Group's used Pricing Analyst     | Cars bought at good cost leaving good profit margins              | Month-end data to review the per vehicle gross profit  |
| Wholesale/auction vehicles once they reach 45+ days or sell the vehicle to another store within the group | DMS                              | Used Car Manager and Group's used car pricing analyst | Reduce stock of aged inventory (Less vehicles 45days+)            | Month-end data to track aging inventory. Each month there should be less aged inventory (45 days+) |
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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.

Continue weekly reporting on the pre-owned vehicle turn rate as well as aged inventory units and stick to the targets

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

Our Director or variable operations conducts weekly meetings to go over the performance as opposed to the set targets

Sponsor Signature: 