



## HOMEWORK ACTION PLAN

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

Name <u>Michael Carlson</u>	Class #	<u>N434</u>
Dealership <u>Sir Walter Chevrolet</u>	Date	<u>3/20/2024</u>

Current Situation or Challenge to be Addressed:	Our used car inventory is larger than what we sell per month causing us to sell vehicles at a loss after 30 days in inventory on average vs. selling at a profit in the 1st 30 days in inventory.		
Current Performance Level (include specific measure):	We currently have 100 pre-owned vehicles in stock and we average 88 used vehicles sold per month. Out of the 100 used vehicles in inventory 48 are over 30 days old. On the vehicles sold in the 1st 30 days we show a 248% GROI. On the rest of the vehicles sold past 30 days we show anywhere from 2% to 99% GROI depending on the age of the vehicle.		
Goal (what do you want to achieve?)	We need to sell vehicles based on market value within the 1st thirty days and adjust inventory levels to meet our needs based on how many we are averaging a month.		
Goal Performance Level (include specific measure)	Our goal is to sell 90% of our used car inventory within 15-30 days of them coming into inventory.		
Goal Start Date:	4/1/2024	Goal End Date:	ongoing
First Check-in Date:	4/15/2024	Performance Objective:	70% turn rate on used inventory Per month
Second Check-in Date:	5/15/2024	Performance Objective:	80% turn rate on used inventory per month
Third Check-in Date:	6/15/2024	Performance Objective:	90% turn rate on used inventory per month
Fourth Check-in Date:	Use Dropdown to enter a date.	Performance Objective:	Click or tap here to enter text.
How does your goal align with the dealers' vision?	By concentrating on having the correct inventory at the correct pricing to market we should have fresh inventory that meets our customers needs and be more profitable at the same time. Our dealer vision is to meet our customers needs and show profit at the same time.		
What are the potential	By having the correct inventory and turning them faster we will not be		

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benefits of achieving your goal?	tying up cash on vehicles that are just sitting and eventually losing money on them. As we learned in financial class cash is the oxygen of the dealership.
What are the potential consequences if you don't achieve your goal?	By tying up cash on inventory that is not selling you will eventually show a loss on those vehicles and make yourself cash poor which is a deadly combination for any business.
Why is the goal important to you?	For the dealership to grow as a single point dealership we need to be smart about where we invest our money. If we don't hit these goals it affects all departments finances and limits what we can do in the future.
Potential Obstacles	Buy in from employees to price cars on facts not feelings.
Potential Solutions	.Educate your employees on the math that shows where we are profitable vs. holding onto inventory too long and not pricing properly causing us to lose money.
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	As we sit if we keep the same GROI on our 0-30 day inventory at 248% and sold 90% of our used inventory every month at under 30 days we would show an increase of \$225,146 per month in total gross and an annual increase of \$2,701,752 per year.

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
Price inventory in stock to market value	V-Auto	General Sales Manager	Relieve inventory of aged units	3/20/2024 start date  4/01/2024 check progress 5/01/2024 have inventory cleaned up
Days to lot withing 72 hours	Use spreadsheet to keep track of days in service and detail	Service manager General sales manager	By getting cars on lot sooner gives more days to sell vehicle before 30	3/20/2024 Ongoing

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			day deadline.	
Weekly meeting with sales and service managers	Inventory analysis and spreadsheet for service and detail progress	General Manager General Sales Manager Service Manager	Fix issues immediately while streamlining process.	3/27/2024 Ongoing
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Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

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 having weekly meetings and constantly trying to improve processes we will make sure that people are doing what needs to be done by holding them accountable to the actual numbers not feelings. If we see a issue that is keeping us from hitting our goals we will adjust immediately and move forward with our plan.

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

We had our 1st meeting with GSM, General Manager, Service Manager and Parts Manager today and each of us was given a chance to give ideas on how we can be more involved with our used car profitability. Each of us contributed ideas and we have full buy in form management to move forward to hitting our goals.



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Sponsor Signature: \_\_\_\_\_