



## HOMEWORK ACTION PLAN

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

Name Hanna DiMilia Class # 442

Dealership The Frederick Motor Company Date 8/1/2024

Current Situation or Challenge to be Addressed:	Improve inventory Turn Rate for Pre-Owned Vehicles		
Current Performance Level (include specific measure):	Current Turn Rate (Pre-Owned) = 4.68		
Goal (what do you want to achieve?)	Achieve turn rate of 7.0 or higher.		
Goal Performance Level (include specific measure)	Turn Rate of 7.0 or Higher (NADA GUIDE = 9.6)		
Goal Start Date:	8/1/2024	Goal End Date:	1/31/2025
First Check-in Date:	9/1/2024	Performance Objective:	5
Second Check-in Date:	10/1/2024	Performance Objective:	5.5
Third Check-in Date:	11/1/2024	Performance Objective:	6
Fourth Check-in Date:	12/1/2024	Performance Objective:	6.5
How does your goal align with the dealers' vision?	"Committed to friendliness, understanding and value, our team is devoted to both the community and our customer's experiences". We are committed to providing Value to our customers, by increasing our inventory turn we will be able to provide more value in each vehicle sold and provide more customers with a vehicle they need.		
What are the potential benefits of achieving your goal?	Increase Profitability, improve morale for all of pre-owned vheicle department.		
What are the potential consequences if you don't achieve your goal?	Low New Profits for Used Cars, Fewer opportunities for salesman, and less vehicles delivered to customers.		
Why is the goal important to you?	Used Cars is becoming more and more essential for dealerships as new car gross profit continues to decline. Improving our inventory turn rate will decrease our reliance on fixe ops to achieve 100% absorbtion.		



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Potential Obstacles	Changing mindset. Pricing More aggressively. Time to be front line ready. More frequent price updates.
Potential Solutions	Sell our GSM and Pre Owned manager on our vision/ big picture. Automate how our price drops go into effect in V-auto.
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	Improving our Turn Rate from 4.68 to 7 would equate to 26,616 more Gross per Month at the same front end (\$1,537). If Front end gross declines to \$1K, our monthly front end gross would decline by 8K and our Back End would increase by 28,588 (not including doc fee)

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
#1 Pricing Strategy	Ensure Market Based not cost + pricing strategy. More timely price updates.	Kevin	Implement automated price updates if not already.	9/1 10/1 11/1 12/1
#2 Investment Quality	Review BAD Investments more often.	Kevin / Nick + <i>Hanna</i>	Establish Meeting or board to track bad investments/excessive age	9/1 10/1 11/1 12/1
#3 Reconditioning	Find opportunities to improve Time to front line ready	Hanna/Nick	Determine front line ready time and remove barriers	9/1 10/1 11/1 12/1
Wholesale	Are we wholesaling based on Age or just immediate condition? <i>✓ Age + Condition</i>	Hanna	Consider Hard Turn, wholesale based on excessive age	9/1 10/1 11/1 12/1



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In Demand Inventory	Identify in demand cars	Hanna	Aggressive pricing based on demand for vehicle and Market days supply.	9/1 10/1 11/1 12/1
Sourcing Desirable inventory	Target desired vehicles with Mastermind/TUA	Pat / Nick / Stafford <i>Hanna</i>	Identify person working service drive for deals.	9/1 10/1 11/1 12/1

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.

Monitoring the new processes we put in place and ensuring we have the right People following our written our processes. Meeting on

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

Used Car meeting. Inputs: Bad Investments, Review Pricing based on Market Days supply, review Aged Units and identify exit strategy, review reconditioning Barriers.

Sponsor Signature: 