



HOMEWORK ACTION PLAN

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

Name <u>Brett Morgan</u>	Class # <u>N366</u>
Dealership <u>Beaver Chevrolet</u>	Date <u>11/11/2020</u>

Current Situation or Challenge to be Addressed:	We are currently running \$417 on the front end gross on new cars. While our Chevy 20 group average is \$1168 and best of class is \$1,228. Ideally we would like to be able to focus on increasing this number by \$300. We average about 100 new cars a month and if we tie these to numbers together we can definitely see the increase in overall gross.		
Current Performance Level (include specific measure):	We are currently selling on average about 100 new cars with a new car front gross of \$417 not to count doc fee(999) electronic titling(298) or any other hard packs along with GM money.		
Goal (what do you want to achieve?)	We would like to see an increase over the next 3 months of \$300 in new car gross not including F&I gross. We believe this goal is well in reach as in 2019 we ran about -322 in new car gross while averaging about 75 new cars. So we do not believe we have to count down on car deals or passing on any new car deals.		
Goal Performance Level (include specific measure)	We as a leadership Team already track our new and used car gross over a month over month, year over year, and even same day as last year. We can set up a new car gross tracker on a daily, weekly, and monthly to review our growth. This will be judged overall on our NADA composite for our growth from our \$417 number. We will have our leadership team track each week and list out every car deal to see our true outliers and see what source is generating this business. We believe front of mind and focus and we can accomplish anything. We need to do a better job and not taking the large loser car deals on customers that are over 100 miles away from us. I pulled a report for the last 90 days we have sold 27 new cars to customers over 100 miles away and have lost \$45,000 this is an average of 15,000 a month. What we could do different on these customers? We could require to finance with us or hold a little more firm on pricing on our unique vehicles and not be so quick to take a car deal just to say you sold one. We will plan to set up a zip code perimeter of our local city, this will state you can not lose more than 1,000 on anyone outside of these specific zip codes. We have to remember we are selling for retention not to just sell a car.		
Goal Start Date:	12/1/2020	Goal End Date:	February 28th, 2021
First Check-in Date:	12/15/2020	Performance Objective:	We would like to see even more cars sold in December with the ability

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			to increase our PVR by over \$100.
Second Check-in Date:	1/1/2021	Performance Objective:	We are aiming to sell 150 new cars which is 50 more than we usually sell but do not sacrifice our gross while doing it. So to sell 150 cars with a PVR of \$517.
Third Check-in Date:	2/1/2021	Performance Objective:	As the new year starts and everyone comes off the high we need to continue to sell our 100 plus new and grow our PVR. By the end of January we will have proved you can up your gross 100 dollars without sacrificing units this month we will have raised to \$617 with keeping the same units. We have to focus on not missing car deals but watching the large outliers and "loser" car deals we are taking in our area.
Fourth Check-in Date:	2/28/2021	Performance Objective:	We have now reached a monitoring date of 90 days to see an increase of \$300 to our front gross pvr. If we followed all of our weekly trackers and monthly trackers with the continued focus of making sure each car deal stood on its own along with all leadership team member providing input prior to losing a lot of money on 1 car deal this would make the most sense.
How does your goal align with the dealers’	As the Leader I believe our team needs to share a common interest on our growth in the PVR and not just being a volume dealer. We do push		

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vision?	our team to focus on moving units at whatever it takes, but we have to be mindful of the opportunities when we have them to maximize gross or limit or exposure to losses. If we ALL start thinging every dollar matters I belive the team will continue to make the growth happen.
What are the potential benefits of achieving your goal?	Our oversll gross in variable will increase by over \$30,000 and with the possibilty of adding more units the gross and net adds does not stop there.
What are the potential consequences if you don't achieve your goal?	The state of mind for our leadership team could be soured to believe its not possible and that we have to continue to loss money to sell a new car. This is not the case it is all a state of mind.
Why is the goal important to you?	This is a goal that we should be constantly focused on with the mindset to always be growing in this area. We have to belive that new car gross is and always will be attainable.
Potential Obstacles	One obstacle will be the December push for unit sales. We all know December tends to be a month where you focus on volume. The concern would be are we sacrificing gross for units. Along with the mmnth of January where the traffic is a little slower than december and out team begins to sale scared for car deals.
Potential Solutions	This will be a team focused solution. We will only be able to accomplish something like this with a group effort. We need all the team to be focused each day and week on the numbers and constanlty trying to move the needle. If we have the whole team bought into the idea of increasing the PVR this will be possible. We have to hold weekly meetings to show the improvement and set the check point dates to allow us to know if we are accomplishing our goals.
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	The financial impact is overall the increase of \$300 dollars on each new car deal over a 90 day period could be as much as \$90,000. This is without missing one car deal on average that we would do. So don't pass on deals.

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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
We will have weekly meetings to review all new car deals and make sure we do not have any outliers that could cause us to go the wrong way.	Reynolds and vauto	Sales Leadership	Increased PVR of \$300 on each deal. A minimum benchmark of \$417 dollars is set.	Once a week each deal under this amount will be reviewed for opportunities on Mondays.
We will set a zip code perimeter in our new car department that requires us to not sell a car under a set 1,000 negative amount. Meaning if we are losing more than 1,000 to someone outside our local area we will pass on that deal for customer retention.	Our Reynolds and reverse risk can keep track of these areas.	Sales Leadership	Our PVR should go up. The risk is less units sold from not being as aggressive.	Each day this is something we will monitor based upon where our customers are coming from.
Continued product knowledge and 4 square training for our team members twice a week for 1 hour.	Conference room and product knowledge with unique 4 square pencils to practice.	Sales Leadership and Product Specialists	To see our team grow with knowledge and understanding of the process to see the PVR grow.	Training twice a week Monday and Thursday each week over the 90day period. All
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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.

All the process we continue to implement are not just for a 90 day period we see them to benefit us for the long haul. These are commomn practices we believe we can use as we continue to grow our new car department.

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

This will be a meeting we hold with our Leadership Team to discuss our vision and how we will accomplish this over the next 90 days. We will need consistent structure in these areas. Each team member must be held accountable.

Sponsor Signature: _____