



## HOMEWORK ACTION PLAN

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

Name <u>Emilio Locilento</u>	Class #	<u>Variable Operations Preowned Seminar</u>
Dealership <u>Volvo Cars Danvers</u>	Date	<u>4/16/2021</u>

Current Situation or Challenge to be Addressed:	"Stocking In Demand Vehicles" Currently in our used vehicle department with a Market Days Supply ranging from 73 to 112, where a majority are Volvo's. In order to build the used car department we must source and identify IN DEMAND VEHICLES, with a lower Market Days Supply.		
Current Performance Level (include specific measure):	Average Market Day Supply of Inventory is 88, without a mix of IN DEMAND vehicles with a lower Market Days Supply. Current Inventory: 59 Preowned in stock: 52 Volvo and 7 Off Makes.		
Goal (what do you want to achieve?)	We would like to have a mix of In Demand vehicle's with an average of Market Day Supply of 50.		
Goal Performance Level (include specific measure)	Baseline Measurement Commences with V-Auto (Dashboard, Market days Supply Trend Report and Source Summary Reprt): Average Market Day Supply: 88		
Goal Start Date:	4/19/2021	Goal End Date:	6/18/2021
First Check-in Date:	4/30/2021	Performance Objective:	Market Days Supply Average: 70
Second Check-in Date:	5/14/2021	Performance Objective:	Market Days Supply Average: 65
Third Check-in Date:	5/31/2021	Performance Objective:	Market Days Supply Average: 60
Fourth Check-in Date:	6/15/2021	Performance Objective:	Market Days Supply Average: 50
How does your goal align with the dealers' vision?	Dealer's Vision: Our mission is to drive efficiency and productivity by profiting from the sale of preowned automobiles. Efficiency and productivity leads to goal tracking and tracking our goals to a desired In Demand Inventory is our vision. This will have a high impact on the bottom-line profit.		
What are the potential benefits of achieving your goal?	Selling preowned vehicles faster, having a healthier inventory will generate higher Gross Profits. Will turn vehicles faster, upwards from currently 8 times per year to 12. We will pickup additional		

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	documentation fees, additional finance income, we will service more vehicles internally, thus making a healthier environment for both the sales team, service team, and the dealer.
What are the potential consequences if you don't achieve your goal?	A consequence not initiating this process would result in "not being as profitable", a swing of over 19 preowned sales per month, equating to an additional 228 yearly sales, a variance of nearly \$292000 will be not attained if this action is not initiated.
Why is the goal important to you?	As a leader of the store, my vision aligns with ownership. We are a business for profit, with many expenses including floor-plan. Our investments must pay forward. Keeping a lower day supply, selling vehicles at a faster pace with IN DEMAND vehicles will accomplish this goal.
Potential Obstacles	Sourcing In demand vehicle will be a potential obstacle. We primarily rely on our Volvo lease portfoglio and service for inventory. With auction prices as high as they are today will potentially discourage our used vehicle manager from purchasing through Stockwave and auction resources.
Potential Solutions	Source more vehicle through our trade tool, by trading more off make opportunities, save-a-deal meetings: looking at every trade opportunity in CRM, Look to Book, Sourcing Summaries, and examine every wholesale opportunity. Rather than send out 90% trades, look at all the market days supply at all the vehicles that we would not normally sell and give them a chance to retail.
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	We will turn vehicles faster, upwards from currently 8 times per year to 12, which will yield a total projected gross of \$1,237,000 yearly. (an addition of \$292,000) not to mention all the service dollars generated internally.

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
Create written process on all trade	V-Auto, CRM and client portfoglio.	Emilio Locilento	Expect more trades with lower days supply and	04/19/2021-06/18/2021 Check Point Dates

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opportunities, sourcing and goal tracking dates.			identifying In Demand Vehicles to retail	(Daily in Management Meetings)
Used Car Manager will Identify In Demand Vehicles.	V-Auto: Inventory Dashboard, Source Summary Report, Missed Trades Report and Market Days Supply Trend report.	Bruce Whittier	Building the Preowned Vehicle Department with more in demand vehicles.	Check Point Dates: Every Friday: 04/23, 04/30, 05/7, 05/14/, 05/21, 05/28, 06/4, 06/11 and 06/18.
Train on In Demand Vehicle and Stockwave Usability and Market Trends	V-Auto	John Brunelle	Better understanding of what sells faster on a daily basis. Understanding all trade opportunities including wholesale.	Monthly: 04/28, 05/19, and 06/10
Identify In Demand vehicles in our lease and finance portfoglio.	CRM, and Volvo 360 Lease Portfoglio	Michelle Fitzmeyer	We can easily target prior clients, thus triggoring more trade opportunities	Every Monday: 04/26, 05/03, 05/10, 05/17, 05/24 05/31, 06/07 and 06/13
Turn over every trade deal identifying all In Demand Trade Opportunities	V-Auto	Alfonso Romano	Aquiring more trades on all retail opportunities that visit our store and online virtually by appraising trade sight unseen and understanding the value of aquiring every trade that has a low day market day	04/19/2021-06/18/2021  Check Point Dates (Daily in Management Meetings)

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			supply.	
Wholesale Analysis	Wholesale Log and V-Auto	Randy Blue	Turning wholesale to retail opportunities by giving a chance to retail units that we would not normally sell.	Every Thursday Prior to Auction day. 04/22, 04/29, 05/06, 05/13, 05/20, 05/27, 06/03, 06/10 and 06/17
Work with used car manager on repair orders on In Demand off makes, wholesale vehicles turned to retail and keeping repair orders inline with front-end gross expectations.	Service department	Robert Kamal	Giving the sales department an opportunity to sell vehicles with an In Demand Inventory value and low market day supply without sacrificing front end profits due to high repair order pricing matrix.	04/19/2021-06/18/2021 Check Point Dates (Daily in Management Meetings)

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.

We will have weekly meetings with the responsible managers and sales staff, measuring weekly results and Market days Supply averages, including missed trade opportunities. We will continue to source vehicles through Stockwave, CRM, lease portfoglio, service, and giving retail more of the wholesale oppotrnyty to retail lower day supply vehicles.

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

We will have a general meeting with managers, salespeople and the dealer principal, wholesale department management and service department with a planned agenda, with respect to this



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action plan. We will also sign off on this action plan, to exemplify individual accountability to the process.

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