

## HOMEWORK ACTION PLAN

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

Name Corey McAfee Class # 042/044

Dealership MHC Kenworth Cedar Rapids Date 4/15/2021

Current Situation or Challenge to be Addressed:	Used truck inventory front line ready within 7 days from received date.		
Current Performance Level (include specific measure):	We are averaging 18 days through Q1 2021, we track this from inventory received date until Detail and inspection RO is posted and pictures are uploaded. All measurable via our DMS AS400		
Goal (what do you want to achieve?)	Goal is to have all used trucks pictured, detailed and fully reconditioned in 7 days		
Goal Performance Level (include specific measure)	Days in inventory		
Goal Start Date:	5/1/2021	Goal End Date:	8/31/2021
First Check-in Date:	6/15/2021	Performance Objective:	14 day average
Second Check-in Date:	7/15/2021	Performance Objective:	10 day average
Third Check-in Date:	8/15/2021	Performance Objective:	7 day average
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?	In order for us to exceed our inventory turn standard of 6 and aging policy of no trucks over 120 days it is essential we are not giving days away at the start. The quicker we can turn trucks the better we are utilizing our inventory dollars and also helping impact our fixed operations with increased reconditioning spend.		
What are the potential benefits of achieving your goal?	Increased revenue in fixed ops with more trucks moving through recon process. Our average GP% is the highest in the first 45 days, so if we can save 11 days in this window versus our current performance we should see an increase in GP for the used truck department. In addition we will be able to reinvest our inventory dollars into fresh units with a turn		

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	increase.
What are the potential consequences if you don't achieve your goal?	We will not be increasing our turn rate and maximizing our days to sale. Loss in additional revenue in parts and service from increased throughput in reconditioning.
Why is the goal important to you?	I want to have the best reconditioning program within our MHC dealer group of 70 locations. We will have seperated ourselves from all of our local competion and have more inventory ready to sell.
Potential Obstacles	Outside detail vendors with backlogs, large groups of trades landing at once, parts backorders and backlog in the service department.
Potential Solutions	Multiple detail vendors, having trucks detailed and pictured and fully marketed while awaiting final parts and service recon.
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	Our average GP on units under 45 days is \$8,396. Days 46-90 are \$7,286. If we can gain back 11 more selling days we should be able to increase GP on those units by \$1,000. Minimzing of potential wholesale loss at 120 days by adding more selling days.

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
Set up mulitple detail vendors	None	Tim Steel UTM	Have 4 options	5/15 start, check point at 6/15
Dedicated Used truck Tech	Appoint on eof our 3 apprentice techs and begin training	Andy Campion Service Manager	Have 1 dedicated tech on each shift for used trucks	5/15 check point at 6/15
Detail units first and complete marketing pictures with 5 days	New Camera	Salesman Kyle, Tyler and Dave	Have units marketed on the internet with 5 days	5/15 start Check point 7/15. Verfiy with Qlik picture report from DMS

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Start in house detail	Carpet extractor, chemicals and cleaning equipment	Tim Steel UTM Andy Campion Service Manager	Have added 1 detail tech and be completing all details in house	6/15 start date, 7/15 check point, 8/15 75% of all details competed in house
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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.

We are fortunate to be able to quickly measure what trucks are frontline ready and complete via DMS reporting. I will have this as a KPI for our Used Truck Manager Tim and be reviewing adherence to our new standard in our weekly one on ones.

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

Sales team meeting every Wednesday we will review all inventory and where they are at in the process. We are currently doing this, but not tracking the days. More or less just telling them what new trucks we have.

Our rollout of in house detail will require more planning. First step in completing an ROI plan. We have to get 1 to 2 techs hired and trained. Develop a RO process as well as bay utilization and establish the metrics on which to manage the employees performance to ensure we have a proper ROI versus outsourcing. We will need to maintain outside vendor relationships as a backup.

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