



HOMWORK ACTION PLAN

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

Name Louis Goodman Class # 394

Dealership Hi Tech Motorcars Date 6/14/2022

Current Situation or Challenge to be Addressed:	xCurrent used vehicle turns and GROI well below NADA guide.		
Current Performance Level (include specific measure):	Current used vehicle turns at 6.8.		
Goal (what do you want to achieve?)	Turns need to be up to 8 and GROI increased to 120%		
Goal Performance Level (include specific measure)	Current GROI at 66%		
Goal Start Date:	7/1/2022	Goal End Date:	9/30/2022
First Check-in Date:	7/15/2022	Performance Objective:	Use scoreboard to determine GROI at halfway into month 1.
Second Check-in Date:	7/31/2022	Performance Objective:	Use sales log to calculate turn rate after 1 month.
Third Check-in Date:	8/15/2022	Performance Objective:	Use scoreboard to determine GROI at halfway into month 2, and total retro for months 1 and 2 together.
Fourth Check-in Date:	8/31/2022	Performance Objective:	Use sales log to calculate turn rate for month 2, also calculate turn rate for months 1 and 2 together.
How does your goal align with the dealers' vision?	We currently do not have a pre-owned manager that is able to calculate these variables. It is a disservice to the company to not know this information as a sales manager. I will sit down with our platform pre-owned manager and show him how to calculate and achieve these goals with not only our store, but the 6 other in the company he oversees.		

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What are the potential benefits of achieving your goal?	By increasing our turns from 6.8 to 8, we can achieve an additional 72 used units every year. This will benefit the sales team and the entire store (as seen below).
What are the potential consequences if you don't achieve your goal?	Potential consequences of not increasing our turns will be lower GROI and lower or negative net profit from the used car department. With a daily holding cost of \$251, we simply cannot afford to keep these cars on the lot for very long.
Why is the goal important to you?	It's important because this will help our team start thinking like investment analysts instead of focusing on front end gross. Gross doesn't mean anything if we are not turning our vehicles quick enough. Utilizing these factors will turn our used car department into a more net profitable section of the dealership.
Potential Obstacles	Potential obstacles include platform pre-owned manager not fully investing time into learning this...may have to LET HIM LOOSE. Other obstacles include, lack of accessibility to inventory that sells well here (2-3 year old Maserati's, Alfa Romeo's). Not stocking in what sells can lead to a worse turn rate and lower GROI.
Potential Solutions	Solutions could be utilizing a service drive "We'll Buy Your Car" advertisement, having the service advisors ask each customer if they would like to receive a "free appraisal".
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	Assuming our current front end PUVR of \$11,483 takes a slight dip to \$10,000, we can achieve the following additional yearly income: \$145,440 F&I, \$97,362 recon, \$241,042 hard pack (new boat alert), \$10,800 doc fees for a grand total yearly projected gross increase of \$4,734,928.

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
Sit down with GM, platform pre-owned manager and COO to come up with written	Inventory pricing tool (Vauto).	Sales manager, platform pre-owned manager, GM.	Increase VDP's, increase turns from 6.8 to 8 by month 1.	Start 7/1 - End 7/31 Checkpoints: everyday for VDP's, every 5-10

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price strategy.				day price adjustment based off VDP's, end of month calculate turns and GROI
Day 1 Price platinum (<40 MDS) used vehicle to 105%	Inventory management tool (Vauto)	Platform pre-owned manager	Increase VDP's and lead traffic	Start measuring VDP's on 7/1/22 for platinum vehicles priced at 105%
Drop price 1% of market every 5-10 days depending on VDP's	Vauto	Sales manager, platform pre-owned manager	Increase VDP's, generate more leads to turn inventory quicker and raise GROI	Day 5 in inventory for every used car, monitor VDP's every 5 days and adjust accordingly
Day 60 hard turn	Wholesale access and other such resources such as intercompany wholesale transfers	Platform pre-owned manager	Having an exit plan will increase GROI, limit the damage from our \$251 daily holding cost	Start 7/1 - End 9/30 Measure 3 months of wholesale activity at a hard 60 day turn.
Daily trade walks with sales team	Sales manager, sales team	Sales manager, GM	Sales will know state of current inventory and where cars are on the lot	Start 6/15
Adopt a car with sales team	Sales manager, sales team	Sales manager, GM	Give each sales consultant 1 used car every Monday. Find 3 features/benefits to share with other sales professionals.	6/20

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			Take photos and walk around video of vehicle to be shared with sales team as well. This will help educate and learn the off brand inventory we stock	
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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.

Once these goals are implemented and followed, we will generate an additional 4.7million in gross. All managers will be held accountable by GM and COO. Our biggest goal will be to increase our turn from 6.8 to 8. This will generate the additional 4.7 million from F&I, recon, packs, doc fees and front end gross.

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

Sales managers to have daily meetings to go over any fresh used vehicles (this includes daily trade walks with sales team). Monthly meeting with COO and platform pre-owned manager to discuss VDP's, wholesale transactions, turns and GROI.

Sponsor Signature: _____