



HOMWORK ACTION PLAN

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

Name Steven cirillo Class # N394
 Dealership Baron Honda Date 8/2/2022

Current Situation or Challenge to be Addressed:	Aging used car inventory with no hard turn policy no set pricing strategy based on MDS.		
Current Performance Level (include specific measure):	1/4 inventory over 90 days old		
Goal (what do you want to achieve?)	Implement a pricing strategy based on MDS and a hard turn at 90 days.		
Goal Performance Level (include specific measure)	0 cars over 90 days old with atleast 120 used cars on ground with a average MDS of 60 days.		
Goal Start Date:	7/1/2022	Goal End Date:	8/31/2022
First Check-in Date:	7/14/2022	Performance Objective:	20 aged units
Second Check-in Date:	7/31/2022	Performance Objective:	10 aged units
Third Check-in Date:	8/7/2022	Performance Objective:	0 aged units
Fourth Check-in Date:	8/20/2022	Performance Objective:	Fully restocked with 120 used cars that average less than 60 day mds.
How does your goal align with the dealers' vision?	This goal aligns with our dealers vision for the used car department because our ultimate goal as a store and group is be as profitable as possible doing honest business.By clearing up our old aged units and implementing a hard turn at 90 days while also putting a pricing strategy based on MDS in place we not only clear cash but also ensure future business is more efficient and more profitable.		
What are the potential benefits of achieving your goal?	Stocking more desirable inventory which would lead to higher gross profit. Clearing cash to give us more buying power. Getting rid of units which are costing us additional income in floorplan		

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	expense.
What are the potential consequences if you don't achieve your goal?	Over abundance of stale units which would cost us prime real estate in our used car department and also cost us extra floor plan expense.
Why is the goal important to you?	I believe the used car department is the heartbeat of the store because it dictactes to much and touches every department. Having a efficent used car department will directly effect both the new car department and parts and service. By becoming money managers in our used car department we would directly impacy our bottom line.
Potential Obstacles	Ownership not wanting to take a loss in wholesale and used car demos which takes eyes off our used car inventory.
Potential Solutions	Show the impact that is being made by starting small. Move the units over a months time taking small bites of the apple and replace those units in a timely fashion. By doing it over a months time I will be able to effectivly turn some of the fresher inventory I replace the aged units with and show it is working. After the first month I will also look over our floor plan expense month over month to show a positive impact there as well.
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	Currently our 27 units over 90 days old totals \$1,137,174 (42,117 per unit) that would be the immediate impact in moving these units as well as any savings we gain by not paying curtailments on these units. The actual impact will carry far further then just clearing this inventory. Getting faster turning inventory and clearing out the aged inventory would have an intangible impact on the used car departement and our floor plan expense.

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
Compile a list of vehicles over 90 days old.	Used car managers and vauto.	Myself and used car managers.	Identify how many cars we have that are aged and how much money is	Start 7/1 End 7/1

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			tied into them. Identify the common denominator of those vehicles.	
Have a meeting in regards to exit strategies on the vehicles. Come up with a list of vehicles we want to target to replace the inventory we are going to sell.	Used car managers/wholesalers/3rd party platforms	Myself and used car managers.	Figure out how we want to move the aged inventory and what outcome there will be montaterily.	Start 7/3 End 7/3
Whole sale aged inventory or price at or below wholesale vale.	Used car manager/wholesalers/3rd part sites/vauto	Used car manager and sales managers	Clear up money to purchase vehicles with lower MDS and create a more healthy inventory.	Start 7/7 End 8/31
Implement a pricing strategy based on MDS.	VAUTO/USED CAR MANAGERS/SALES MANAGERS	USED CAR MANAGER/SALES MANAGERS/ MYSELF	Price cars correctly to maximize gross profit and get more aggressive on aging inventory.	Start 7/1 Check in daily.
Come up with parameters of vehicles we want based on MDS. Purchase inventory that is fast turning and low hanging fruit based on your PMA with a low MDS.	USED CAR MANAGER/3RD PARTY AUCTIONS/SITES/WHOLESALEERS	USED CAR MANAGER/SALES MANAGERS/MYSELF	Get faster turning inventory which in our case would be less expensive inventory.	7/14 Check in daily. Will continue moving forward.

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Team weekly inventory meeting with sales managers/used car managers/finance managers	The full management staff	myself	Everyone on the same page as to what we should stock what is going to book best for our special finance customers and what cars are going to work for our market.	7/7 Weekly meeting moving forward.
Analyze the data we complied with my vauto performance manager to go over the progress we have made and get suggestions.	Vauto performance manager	Myself	Get an outside in view of our process and get ideas on how I can improve what we already have in place.	8/31 MONTHLY MEETING MOVING FORWARD.

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.

Be present with my used car department and lead by example stick to the scheduled meetings and processes and procedures. Hold myself accountable everyday and get used car managers in a rhythm with the new program. Check in daily to monitor progress and create a sense of urgency again.

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

Meetings will be held with all management staff to get everyone on the same page. Meetings will start off positive and clearly identifying the areas we need improve on and lead to constructive conversation with an open floor type atmosphere in order to compile a list of best practices within the set process that has already been made. Weekly meetings will be held to go over how our new processes and procedures are working in this ever changing market.



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Sponsor Signature: _____