



HOMEWORK ACTION PLAN

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

Name Marcus Diaz Class # N398

Dealership Parkway Hyundai Date 8/16/2022

Current Situation or Challenge to be Addressed:	Cost to market ownership % pricing on high market day supply used vehicles		
Current Performance Level (include specific measure):	We currently have vehicles in inventory that are growing old. Paying up for high day market supply trades\auction without looking at the metrics of cost to market percentage vs market price percentage. Currently on average we are at an average of 104% PTM on high market supply inventory		
Goal (what do you want to achieve?)	At the time of appraisal consider all the metrics including recon cost, pack, day supply, and what will be my retail price be based on the market.		
Goal Performance Level (include specific measure)	Analyzing the market in the beginning of the process will allow us to know how we prioritize the vehicles knowing their performance in our market. First through recon, immediate pricing online, and create an exit strategy. Based on this approach it should increase our turn, allow us to lower pricing to market to 100% or lower and retain a higher overall profit at a lower retail price.		
Goal Start Date:	9/1/2022	Goal End Date:	12/31/2022
First Check-in Date:	9/15/2022	Performance Objective:	Eliminating aged high day supply inventory
Second Check-in Date:	10/3/2022	Performance Objective:	Reduce turn rate and lower average days in stock under 90
Third Check-in Date:	11/1/2022	Performance Objective:	Ensure our inventory is up to date on current most sought after vehicles based on market
Fourth Check-in Date:	12/31/2022	Performance Objective:	Have the average day turn to around 60 being stocked with correct market inventory and have effective cost to market percentage in the vehicle
How does your goal align with the dealers' vision?	Supplying our loyal customers and driving in new consumers by putting them in quality pre-owned vehicles that fit the needs of our market.		

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What are the potential benefits of achieving your goal?	Increased volume on vehicles retailed. GROI increase. More used vehicles sold has potential for increase trade-in potential which brings in more internal recon. Reduced frozen capital
What are the potential consequences if you don't achieve your goal?	Flooded in water on aged inventory. Aging inventory encures increased cost. Less opportunity for new consumers or repeat consumers. Taking big losses on wholesale
Why is the goal important to you?	Increasing bottom line profit as well as increased sales will retain our loyal employees and keep the dealership in a profitable situation
Potential Obstacles	Market adjusting on values whether it is in an increase or decrease. Potential economy problems
Potential Solutions	Target campaigns to vehicles in the market who are private party owners. Appraisal training. Adopt a car option to take a low turn vehicle a priority
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	As a result of correct vehicle acquisition, increased turn, and stocking in demand vehicles taking our current turn from 8 and a front gross of 4798 and increasing the turn to 11 with a gross of 3900 will increase an annual value off over \$220,000.

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 pricing plan in writing	Vauto	Myself	Transparant pricing for dealership and carefully evaluating market	9/1/22
Run in demand market reports	Vauto/manheim/black book	Used car manager	Stocking in demand inventory	8/22/22
Appraisal report	Vauto	Myself-other appraisers	Better look to book and trade acquisition	8/22/22

