



HOMEWORK ACTION PLAN

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

Name <u>Adel Shammass</u>	Class # <u>N397</u>
Dealership <u>Lexus of Riverside</u>	Date <u>9/5/2022</u>

Current Situation or Challenge to be Addressed:	Pre-owned inventory turn rate.		
Current Performance Level (include specific measure):	Currently at 9.8 turns per year based on VO1 class Pre-owned inventory turn chart and Vauto .		
Goal (what do you want to achieve?)	Increase Pre-owned inventory turn rate		
Goal Performance Level (include specific measure)	12 Times per year		
Goal Start Date:	9/1/2022	Goal End Date:	11/30/2022
First Check-in Date:	9/1/2022	Performance Objective:	Turn rate of 9.8 times per year
Second Check-in Date:	9/30/2022	Performance Objective:	Turn rate of 10 times per year
Third Check-in Date:	10/31/2022	Performance Objective:	Turn rate of 11 times per year
Fourth Check-in Date:	11/30/2022	Performance Objective:	Turn rate of 12 times per year
How does your goal align with the dealers' vision?	Lack of New car volume must be compensated by an increase in Pre-owned volume.		
What are the potential benefits of achieving your goal?	Increase in Pre-owned gross profit . Increase in internal service gross profit. Increase in Internet leads and visibility that could potentially leads to New car sales and Service .		
What are the potential consequences if you don't achieve your goal?	Loss of volume and gross will lead to loss in market share plus a potential headcount reduction.		

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Why is the goal important to you?	Increase in Pre-owned volume sales leads to more F&I , trade ins , service and potentially New car sales.
Potential Obstacles	Locating the right vehicles that accommodate the desired MDS to maintain a 30 day turn which will eventually leads to a 12 turn rate per year .
Potential Solutions	Use Service drive as an inventory source. Refrain from buying high MDS units. Incentivize service advisors everytime the store purchase a pre-owned vehicle from the service drive.
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	The additional 17 units will generate an additional \$87,930 gross per month after adding all the F&I , Doc fees , reconditioning and packs . An annual \$1,055,166 increase .

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
Focus on 30 day turn with current inventory	Vauto profit time and historical sold data	GSM/ UCM	Reduction in excess pre-owned inventory to accommodate a 30 day turn	9/1/22 . To be reviewed by the GM/GSM and UCM on a daily bases
Purchase Pre-owned inventory with a low MDS	Vauto. Auction reports and historic sales data	UCM	Increase pre-owned units that fits profit time Pltinum platform	9/1/22 . Both UCM and GSM to provide the GM with potential purchases before purchasing.
Mandate active appraising that involves the client	None	All sales managers. UCM and GSM	Accurate and realistic trade in values.	9/1/22 and moving forward .
Trade walks .	Appraisal sheet. Vauto pricing guide	All sales managers . UCM , GSM and service	Awareness of incoming units .	9/1/22 and moving forward.

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		manager		
Daily pricing review and pricing adjustments.	Vauto profit time.	GSM/ UCM	To be aligned with the market and day supply	9/1/22 and moving forward.
Daily inventory walk	None	GSM and all sales managers	Increase awareness of current frontline units.	9/1/22 and moving forward.
Check pre-owned inventory VDP's	Vauto profit time	UCM	Move high VDP units to the frontline.	9/1/22 . Review every 2 weeks.

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.

It is my responsibility to make sure everything stated to be followed and done. One of the most effective ways to do so, is to come up with a new job description that list all the new responsibilities . Failure to adhere , will result in a written warning and up to termination.

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

Meeting with the group President and Vauto market representative.

Sponsor Signature: _____