



HOMEWORK ACTION PLAN

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

Name <u>Elvin R Colon</u>	Class #	<u>N399</u>
Dealership <u>Kia on the BLVD</u>	Date	<u>10/3/2022</u>

Current Situation or Challenge to be Addressed:	Currently there is no pricing strategy established at the store and would like to have all managers view our inventory as investments and not cars.		
Current Performance Level (include specific measure):	Currently at a 9.9 turn rate right in line with the industry average. Our average transaction price is \$24,240.00 and our older aged units come in at an average cost of \$19,479.46, well under our threshold.		
Goal (what do you want to achieve?)	Establish a pricing strategy to help reduce old aged vehicles and get them to sell right at about or under 45 days.		
Goal Performance Level (include specific measure)	Goal is to re-evaluate our inventory and free up \$682,188.00 of old age inventory to stock in what the store is selling and manage their inventory daily		
Goal Start Date:	10/1/2022	Goal End Date:	12/31/2022
First Check-in Date:	10/10/2022	Performance Objective:	Reduce from 65 units in old aged to 55
Second Check-in Date:	10/17/2022	Performance Objective:	Reduce from 55 old age to 40
Third Check-in Date:	10/24/2022	Performance Objective:	Reduce from 40 to 20
Fourth Check-in Date:	10/31/2022	Performance Objective:	Reach the ultimate goal of 0 and purchase power of 682,188 of fresh inventory
How does your goal align with the dealers' vision?	After this class the used car department did not have a strategy nor goal, after learning what these dollar amounts meant to us we will start very early in the vehicles age in inventory to strategically place them in a position to sell at a faster pace and not "fall in love" with a unit.		
What are the potential benefits of achieving your goal?	I think my managers will understand more as to why our goal would be to turn it at 30 days 45 days the latest to maximize our profits on each unit.		
What are the potential	Dead inventory, lost of profits and over all health of the investment tied		

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consequences if you don't achieve your goal?	in that department
Why is the goal important to you?	I would like to establish that the used car department should and will stand alone and generate income on its own terms. Currently they are switched new car customers as we see fit and there is not strategy for them to sell on their own terms.
Potential Obstacles	I see some managers fall inlove with inventory and think they are smarter then the market and tend to hold on too long of a unit or two in hopes of getting "all"the money, but in the grand scheme of things its costing us money.
Potential Solutions	Create a vision for the desk managers and help them understand that these vehicles should be studied and catagorized and follow a market pricing strategy. Not to sell by cost
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	With same (KIA) brand used vehicles we have a GROI of 253% and an average days to sale of 25.8 where as non kia branded vehicles we only have a 90% groi with an average days to sale of 44.6, double the amount. I believe we can bring that non branded number groi higher if marketed correctly and a pricing strategy is followed. At those number we would have gained an additional 351,843 in gross profit .

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
Establish pricing strategy for used car manager to follow	Hire a used car manager (starts the 15th)	Used car manager	To daily evaluate pricing structure	10-15-2022 10-31-2022
Track GROI on non branded vehicles	Sales log input sheet to be accurate	Used car manager	To bring up the GROI from 90% closer to branded vehicles of 253%	10-15-2022 12-31-2022
Track average	Sales log input	Used car manager	Get closer to 30	10-15-2022

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days to sell of off branded vehicles	sheet		or under 30 days	12-31-2022
Bring up the per copy of off branded vehicles	Sales log input sheet	Used car manager	Bring the per copy from 3815 to 5400	10-15-2022 12-31-2022
Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

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.

I will be hands on working with the new used car manager that’s coming on board ont the 15th to teach him my vision and strategys.

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

Along wit the new hire of a used car manager I will address the vision and strategy with all managers to ensure we are all on the same page and not let one deviate. Pricing structure will be monitored daily by the used car manager as well as my self to ensure we give each vehicle the best chances of selling in a timely manner

Sponsor Signature: _____