



## HOMEWORK ACTION PLAN

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

Name <u>Charlie Hamilton</u>	Class	
	#	<u>N400</u>
Dealership <u>Hamilton Nissan</u>	Date	<u>1/23/2023</u>

Current Situation or Challenge to be Addressed:	Hamilton Nissan has a poor used car operation. There is a huge aging problem along with no pricing strategy. The after days to market is high and no drive or push to turn the inventory.		
Current Performance Level (include specific measure):	Through October the dealership is avergaing only 14 retailed used vehicles. Current turn rate is 1.4 turns. With 118 units in stock, month supply is 8.4.		
Goal (what do you want to achieve?)	I want the dealership to be retailing 85-100 preowned vehicles month in and month out		
Goal Performance Level (include specific measure)	If we continue to stock roughly 100-115 units, the team will need to turn the inventory 10 times a year to sell 85 units. \$500.00 Front end gross average and F&I \$2000		
Goal Start Date:	1/1/2023	Goal End Date:	3/31/2023
First Check-in Date:	3/31/2023	Performance Objective:	How many units retail? Are we on pace for total gross per unit
Second Check-in Date:	6/30/2023	Performance Objective:	Spring and Summer should bring an uptick in sales. Did we turn our inventory more then predicted?
Third Check-in Date:	9/30/2023	Performance Objective:	Still on pace for 85 units a month? Is \$2500 gross per unit still being acheived
Fourth Check-in Date:	12/31/2023	Performance Objective:	Where did we finish? Did we turn the inventory 10 times or more? Did we achieved our GPRU?
How does your goal align with the dealers' vision?	Dealers vision is too sell more vehicles within our PMA and take care of our backyard. We want to be the best priced per-owned vehicles within a 50 mile radius.		

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What are the potential benefits of achieving your goal?	Knowing the more units we retail, the more units we send through service both internally and customer pay. Internally not only do we get the GPRU but also get the doc fee, shop work, as well as the pack. Total gross for the dealership is large.
What are the potential consequences if you don't achieve your goal?	If we don't hit the turn goal, we potentially having a huge aging process like we currently have, so lots of water. We have unhappy sales staff no making money. Internal tech team won't have much work and overall profitability of the dealership will be down.
Why is the goal important to you?	Hamilton has been here since the 60's as a family owned and operated dealership. It is important to remain in business and continue helping our local consumers with solid pre-owned transportation and service for all their needs.
Potential Obstacles	Lots of concerns. Rising rates, lack of available units both new and used. New car sales bring trades and not having the new inventory will be challenging to have solid trades. We will have to purchase a large majority of our units.
Potential Solutions	Aggressive new vehicle pricing to generate trade traffic. Work with local credit unions to try to get the best rates we can.
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	Retailing an average of 85 units per month and turning the inventory 10 times while maintaining GPRU the dealership will see a monthly impact change of \$342k total gross and a yearly amount of just over 4 million dollars.

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
60 Day turn policy	Inventory Management	GSM and used vehicle manager	NO vehicles over 60 days of age	Start January 1st 2023. Check daily.
Pricing strategy.	Inventory Management	GSM and used vehicle manager	Pricing the vehicles 96-98% of the market	Start January 1st 2023. Checking daily as prices change

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Days to market	Inventory Management	GSM, used vehicle manager, service manager, detail	Vehicles need to be through the shop and front line ready no more then 4 days.	Start January 1st 2023. This will take constant watch
Maintaing \$2000 f&i.	F&I tool (Darwin)	F&I manager	Need to maintain \$2000 per copy in F&i.	Start January 1st 2023.
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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.

Pay plan's are based off of the success of this operation.

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

Weekly meetings reiterating the importance of turn and moving the metal.

Sponsor Signature: \_\_\_\_\_