



## HOMEWORK ACTION PLAN

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

Name Landon Montgomery Class # N407

Dealership Honda of Jonesboro Date 3/14/2023

Current Situation or Challenge to be Addressed:	Slower turn rate due to broken processes and poor stocking. We turn our inventory at a decent rate, however, do to lack of market based pricing we allow certain inventory to sit much longer than desired causing higher wholesale/retail losses. We currently due not stock by "earning the right to stock" base on our rolling 30 day sales. We will implement processes to correct.		
Current Performance Level (include specific measure):	We currently have a turn rate of 14. 1.6% of our inventory is over 50 days.		
Goal (what do you want to achieve?)	Get above 20 turns a year. Zero inventroy over 60 days. Move closer to selling inventory within 30 days and have an action plan at 45 days to wholesale, retail, or sell on the auction any aging vehicle.		
Goal Performance Level (include specific measure)	30 is the new 60. By moving closer to selling inventory within the first 30 days we will assure higher profits in the used vehicle department and avoid high losses due to any change in market.		
Goal Start Date:	2/13/2023	Goal End Date:	8/1/2023
First Check-in Date:	2/13/2023	Performance Objective:	Confirm all pricing is to our new guide.
Second Check-in Date:	2/20/2023	Performance Objective:	Review weekly used vehicle sales and how many vehicles we earned to stock.
Third Check-in Date:	3/1/2023	Performance Objective:	Review monthly sales and how much aged inventory we have in left in stock.
Fourth Check-in Date:	4/1/2023	Performance Objective:	Discuss increases in sales and opsticles we have not been able to work through in first few months.
How does your goal align with the dealers' vision?	Our vision is a customer today, a relationship for life. By stocking and selling more used cars all makes in models we make ourselves more available for all automotive needs for our customer base.		



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What are the potential benefits of achieving your goal?	Higher GROI. More profit in our fixed departments. Higher customer retention. Higher net profits.
What are the potential consequences if you don't achieve your goal?	Loss of used vehicle customer base. Higher wholesale loss. Out of wack inventory levels.
Why is the goal important to you?	I want to be the best dealership in the Winrock goup in statistics I can control. This means reaching NADA guide for all measures of the dealership. I understand some aspects are out of our control such as new vehicle inventory. A category like used vehicle sales, GROI, and inventory turns can be controlled and managed at the dealership level with little interference from the outside. We should be able to win categories we have control over.
Potential Obstacles	Reconditioning time and detail times. We are currently land locked in our building which we have outgrown. Adding over 150 internal repairs monthly and having them completed within 72 hours while also keeping our daily customer repairs completed at a high level for our customers will be our number one challenge.
Potential Solutions	I have already met with the shop foreman to adjust weekend service hours. Any technicians will be able to work weekends during regular scheduled sales hours to earn extra hours on internal repairs.
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	If we are able to raise our used vehicle turns from 14 to 20 we will raise our yearly total gross profit variance by \$2,120,788. We will add 372 retail units sold yearly as well as a reconditioning increase of \$401,760 to our fixed departments. All profit margins substantial increase with more used vehicle turns.

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
Create google doc to track newly aquired vehicles starting the reconditioning process.	Report is built and access given to used car manager, shop foreman, parts manager, and myself.	Shop foreman, used car manager, parts manager, and myself.	Vehicle ready for sale within 72 hours.	2/13/2023 8/1/2023 Daily
Daily inventory meeting with used car manager.	Used car manager and myself with First look	Used car manager and myself.	Thorough understanding of current inventory.	2/13/2023 Daily



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	and our auction report.			
Stocking by earning right to stock on rolling 30 day sells.	Access to Reynolds and checking inventory levels daily.	Used car manager and myself.	Adequately stocked inventory.	2/13/2023 3/1/2023 Daily
Vehicles detailed within a day of receiving.	Sufficiently staffed detail department.	Third party detail company and myself.	Vehicles not delayed for sale based on detail department.	3/1/2023 4/1/2023 Daily
Used car manager solely performing trade appraisals.	Used car manager trained in acquiring used inventory.	Used car manager and myself.	One person accountable for understanding amounts put in vehicles and acquiring as many vehicles as needed.	2/13/2023 Daily
Daily auction attendance.	Used car manager will access and full understanding of auctions.	Used car manager and myself.	Keeping healthy inventory levels regardless of new inventory received.	2/13/2023 Daily
Day 1 internal vehicle rating.	Understanding of market supply, cost to market, and market demand.	Used car manager and myself.	Pricing a vehicle day one based on a gold, silver, or bronze rating.	2/13/2023 Daily

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 ensure bad habits are not repeated by checking every aspect and report of the dealership daily and fixing poor trends immediately.



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

I've implented a daily meeting with our used car manager at 9:30am as well as a 10:15 appointment with the service manager and shop foreman.

Sponsor Signature: