



HOMEWORK ACTION PLAN

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

Name Vance Avers Class # N410
 Dealership Champion Chevrolet Date 5/1/2023

Current Situation or Challenge to be Addressed:	Currently we have 28 units in our inventory over 90 days.		
Current Performance Level (include specific measure):	There is a cost of \$949,948 associated with those units which is 17.5% of total inventory dollars 28 units is 18.9% of are total retail stock		
Goal (what do you want to achieve?)	Reduce the amount aged units keeping the majority of our used car inventory in the fresh category in units and dollars.		
Goal Performance Level (include specific measure)	Reduce 90+ day units to under 5% of our total units and under 5% of inventory dollars.		
Goal Start Date:	5/1/2023	Goal End Date:	7/1/2023
First Check-in Date:	5/14/2023	Performance Objective:	Be under 16%
Second Check-in Date:	5/28/2023	Performance Objective:	Be under 12%
Third Check-in Date:	6/11/2023	Performance Objective:	Be under 10%
Fourth Check-in Date:	6/25/2023	Performance Objective:	Be under 8%
How does your goal align with the dealers' vision?	Not just selling a car but selling an experience. I believe the moral of the staff will increase with fresher inventory instead of aged dead units multiplying wich can give the customer a better experience aswell.		
What are the potential benefits of achieving your goal?	Having less money tied up in at old and dead inventory can increase our turn rate and GROI. We will have more vehicles with a lower cost to market.		
What are the potential consequences if you don't achieve your goal?	The dealership will have higher cost to market units. A slower turn rate and lower GROI. This will impact the bottom line in a negative way.		
Why is the goal important to you?	My job is to make the store is as profitable as I can. It will help retain the staff with a better morale, selling more fresh units instead of dead units with higher cost associated to them, which again will help add to the bottom line. We spent \$420,000 in used car write downs last year that came out of the bottom line aswell.		



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Potential Obstacles	Slow to the front line time Pricing from cost up	Dealership doesn't have a hard turn policy \$1300 in hard packs
Potential Solutions	Decrease time to front line by having a quicker F&I turn time, opening the used car shop on Saturdays and putting vendors on tight time lines Price to Market instead of Cost up We are not going to have a hard turn so analyzing aging units on price adjustments and make quicker decisions on wholesaling aging units. Decrease pack for transparency with management on cost to market	
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	\$420,000 in used car write down would likely go to under \$50,000 based on average write down per aged unit last year. This would also help with our ROI and Turn Rate. If this did increase our turn from 4.9 to 6, do a projection calculation and taking out reconditioning service profit, it could have an increase in the department for \$1,100,868 with our projected gross profit PVR.	

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 and write pricing strategy	Myself NADA Pricing strategy examples	Myself AL-Used Car Manager Jack III- Used Car AM	Have a clear laid out strategy that everyone understands	Start 4-21-23 End 5-1-23
Create F&I Process	Cog- F&I Director Cory- F&I Manager Bob- F&I Manager	Cog	Process deals faster to insure trades are cleared for quicker PDI	Start 4-25-23 Check 5-1-23 End 5-4-23
Analyze Old Age Units Decide on price adjustments, Spiff repositioning on lot or wholesale	Auto Vision to look up MDS, MMR, Price to Market, and VDP's on aged inventory	AL Jack III Julian	Clear out some old age inventory	Start 5-3-23 End 5-4-23 Check Weekly
Run Calculations on Inv turn rate, Inv Cost vs Ret Cost, Identify	NADA Calculations AutoVision	Myself AI	Stock more units that turn faster and less slow moving units	Start 5-8-23 End 5-9-23

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high GROI vehicles and low GROI vehicles		Jack III		Check Weekly
Obtain GSM or GM approval for holding a vehicle past 90 days	AutoVision, CDK	AI - Used Car Manager Jack III - Used Car AM Miguel - Used Car PDI	To always have fresh inventory.	Start 5-1-23 Check everytime a vehicle hits 90 days
Hit list, start bonusing vehicles at an early age for smaller amounts.	CDK Autovision	AI Jack III	Salesman showing and selling units in danger of being dead instead of walking around them	5-15-23
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.

Give the action plan to everyone involved to insure that they are clear that if any of the steps taken are broken can effect the bigger process. Check monthly to insure each step and or process is still being followed. Also break it down to them in dollars to show how it is adding to the bottom line and effecting their pay and the dealerships success.

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

Myself and the finance director had a meeting to discuss obstacles the department was having getting deals billed efficiently and decided to put a written process in place. Meet with the used car department to discuss each persons responsibility and how we wanted to develop a pricing strategy thru-out the vehicles life and how each one of these steps is vital to hit the goal we have set forth. Also show them the importance of knowing and monitoring different calculations. Task the internet manager and used car managers to pull VDP's on inventory to see how much website attention vehicles have or have not been getting.

Sponsor Signature: _____

