



## HOMEWORK ACTION PLAN

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

Name	Rocky Santa Cruz	Class	#	N418
Dealership	STADIUM TOYOTA	Date		8/22/2023

Current Situation or Challenge to be Addressed:	Currently, we are not stocking enough pre-owned vehicles and are having a difficult time achieving our manufacturer-certified objectives.		
Current Performance Level (include specific measure):	Current Average sales YTD is 108 units with a current monthly gross profit average of \$654,000.		
Goal (what do you want to achieve?)	Increase monthly preowned department generated profit by \$146,000 per month and increase unit sales by 50 units per month by the end of the year. This increase includes additional income from F&I, Pack, and Dealer fees.		
Goal Performance Level (include specific measure)	Gross Profit Goal of \$800,000 and Unit Goal of 158 per month		
Goal Start Date:	9/1/2023	Goal End Date:	12/31/2023
First Check-in Date:	9/30/2023	Performance Objective:	121 units. \$690,500 Gross
Second Check-in Date:	10/31/2023	Performance Objective:	134 units \$727,000 Gross
Third Check-in Date:	12/1/2023	Performance Objective:	147 units \$763,500 Gross
Fourth Check-in Date:	12/31/2023	Performance Objective:	158 units. \$800,000 Gross
How does your goal align with the dealers' vision?	This aligns with my Dealer's Vision as it focuses on both profitability and growth.		
What are the potential benefits of achieving your goal?	Increasing sales in the pre-owned department will generate additional income and opportunities for other departments including Service and Parts for recon work and additional opportunities for the finance department.		
What are the potential consequences if you don't achieve your	With the ever-changing conditions in the new car department with increased inventory levels it is imperative that we increase profitability as new car grosses start to normalize. Our current total absorption rate is		

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goal?	91% and with an increase in pre-owned sales and profitability, we can achieve 100% absorption.
Why is the goal important to you?	This goal is important to me for several reasons. Impact on the dealership's success and profitability. Increased financial rewards for my team and myself. Demonstrating my ability to motivate and guide my team toward a common objective.
Potential Obstacles	<p>Resistance to change</p> <p>Inventory Acquisition</p> <p>Staffing and Training</p> <p>Marketing and Advertising</p> <p>Fluctuating Markets</p>
Potential Solutions	<p>Resistance to change - Clearly communicating the "Why" and the rationale behind the changes and making sure that I involve the team in the decision-making process.</p> <p>Inventory Acquisition - Shifting from a cost-up pricing strategy to a market-based pricing strategy. Having an exit plan for each vehicle when we acquire it.</p> <p>Staffing and Training - Provide the team with written policies and strategies as well as develop our personnel.</p> <p>Marketing and Advertising - Focus on digital marketing, including social media, targeted online ads. Tailor marketing efforts to different customer segments based on demographics and customer preferences. Study our market.</p> <p>Fluctuating Markets - Offer a diverse mix of vehicles that cater to different customer preferences and price points. Stay up to date on market trends and adjust inventory and marketing accordingly.</p>
<b>BOTTOM LINE!</b> Financial Impact of Achieving Your Goal (expressed in dollars)	<b>\$200,000 increase in Pre-Owned Department Profit</b>

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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
Install V-Auto Inventory Management System	Schedule Demo and get contracts signed.	GSM	Implementation of V-Auto.	Live Date target of 9/10/23
Install Written Pricing Strategy. With 60 day hard turn policy.	V-Auto, shared google document.	GSM and Pre-Owned Director	One sheet pricing guide based on market day supply and market rank. Dirty Banana System	Current framework is attached need to collaborate on final details. 9/10/23
Train Pre-Owned managers on new pricing philosophy and daily checklist to optimize inventory pricing and turn. GROI	Shared Google Doc	GSM and Pre-Owned Director	Develop and train pricing philosophy and create a daily checklist of responsibilities for pre-owned managers. The "Why" behind GROI and velocity.	Should be completed and implemented by 9/10/23
Change hard pack to soft pack to encourage the right number is put on a car every time.	Reynolds & Reynolds access	Reynolds Administrator/CompTroller/GSM	Change Hard pack of \$1,200 to soft pack so the pack does not hinder acquisition efforts.	9/1/23
Increase Acquisition efforts via Auction/Curb purchases/Service Drive	Shared Google Doc for written policy. Explore solutions such as KBB ICO and VINCUE	GSM/Pre-Owned Director	Develop 3-prong strategy for acquiring additional inventory. Including incentivizing sales professionals.	9/1/23 Start date, monitored weekly to ensure we are meeting metrics and KPI.

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Decrease Recon Time	Dedicated Recon Team/Pre-Authorization written policy	GSM/Service Director/ New Car Director	Reduce time to line from 5+ days to 3.	9/1/23 start date. Expected completion 9/10/23
Digital Marketing Strategy for increased Inventory	Access to GA4, Website VDP Analytics, market and customer research	GM/CMO/ Marketing Partners	Targeted Digital marketing strategy optimizing price to market and velocity.	9/1/23 start date and reallocation of funds from traditional to digital. Weekly updates based on current inventory levels.

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.

Monthly forecasting, and weekly accountability meetings.

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

Meetings for implementation will begin on 9/1/23 with all strategies and written policies to be completed by 9/10/23. Moving forward there will be Weekly meetings that will cover acquisition efforts, health of the used car inventory, and reconditioning efforts. In addition, these metrics will be discussed in the Weekly department head meetings.

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