



HOMEWORK ACTION PLAN

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

Name Danny Bourdages Class # ATD049

Dealership Kenworth Maska Date 10/4/2023

Current Situation or Challenge to be Addressed:	We don't turn our used truck inventory around enough No hard turn policy in place, so we end up with vehicles in inventory that are more than 180 days old		
Current Performance Level (include specific measure):	Presently inventory turn at 2.76 and currently 9% of our used truck inventory is 181 days old or more		
Goal (what do you want to achieve?)	Buy in todays market and sell in todays market Have the right inventory on hand and procedures in place (pricing, recons, hard turn)		
Goal Performance Level (include specific measure)	Princing strategy instead of working from cost +, work backward appraisal (selling price- GP- recon- commission = trade in value). Go from 9% of used truck inventory older than 180 days to no truck 180 days or older. Used truck inventory go from 2.76 turns to 6 turns (ATD Guide), Presently at 37.84% GROI, target at 60% (ATD guide)		
Goal Start Date:	10/1/2023	Goal End Date:	3/31/2024
First Check-in Date:	10/31/2023	Performance Objective:	0% used truck over 180 days old
Second Check-in Date:	11/30/2023	Performance Objective:	3.5 turns
Third Check-in Date:	1/31/2024	Performance Objective:	4.75 turns
Fourth Check-in Date:	3/31/2024	Performance Objective:	6.0 turns
How does your goal align with the dealers' vision?	Having an efficient and profitable business, having a solid structure and good procedures in place, having a better return on investment.		
What are the potential benefits of achieving your goal?	Make sure we have an inventory of used trucks based on today market prices and know what's in demand in our market. With an exit plan drawn up from day 1 to avoid having an aged inventory Increase GROI		
What are the potential consequences if you don't achieve your goal?	Used trucks that are no longer in the market price, in addition to depreciation and the daily selling cost		

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Why is the goal important to you?	Having an efficient and profitable business, having a solid structure and good procedures in place, having a better return on investment
Potential Obstacles	Lack of rigor and consistency in our operations Lack of communication and commitment between the service department and used trucks department
Potential Solutions	Set up procedure and structure Have designated technicians for pre-purchase inspections of used vehicles Have dedicated technicians for recons of used trucks and have an established timeframe for recons (cycle time 10 business days) Hard turn policy Pricing strategy 30/60/90/120
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	An increase in Gross Return On Inventory of \$293,626 And better control of recons cost, which I can't put a figure on at the moment because we don't keep track of estimated costs versus actual recon costs Reduce cost related to the Daily Selling Cost (\$226)

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
Designate technicians for pre-purchase inspections and recon work	Creation of inspection sheet	Service Manager	Always have the same people carrying out the work, have a good understanding of our expectations and complete the work within 10 business days	Start November 1st Followed every month
Pricing strategy	Implementation of the used truck appraisal procedure	Used truck Manager	Selling price - GP - recon - commission = trade in value And include the 30/60/90/120 day pricing strategy on day 1	Start November 1st Follow-up on all used truck acquisitions

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Recon budget	Creation of recon report	Service Manager and Used Truck Manager	Monitor and measure that our recons are within a variance of < 10% of our recon appraisal	Start November 1st Followed every month
Used Truck inventory age report	Create a DMS report	Used Truck Manager	Highlight trucks as they hit 30/60/90/120 days. And follow the established action plan and take necessary actions to get rid of trucks at 180 days	Starts November 1st Followed every month
Hard Turn policy	Create the policy	Used Truck Manager	To sell any used truck at 180 days, no questions asked	Implement the policy in early November Take action to sell the 9% of used truck inventory that is over 180 days old Followed by the Used truck inventory report each month
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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.



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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.

Create DMS report to highlight trucks as they hit 30/60/90 days (color code the report to it sticks out to the manager and all the salesmen)

Follow the recon process and ensure trucks are complete within 10 business days
And monitor the estimated costs vs the recon costs for each vehicle

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

Meeting with the Service manager and technicians designated for pre-purchase inspections and recon work and Used Truck Manager, to determine the points to be checked at the inspection. Make sure that the service department understands the importance of completing recon work quickly, that used truck department is an important customer and that we must stop interrupting work to pass on other customers. And make sure that everyone has the same vision regarding recons, make sure every dollars we put in, we get out of it.

Sponsor Signature: _____