



Financial Management Objective Homework

**Student
Class #**

James Kelly

Name:

PAG
012

Academy

***I plan to accomplish the following objective
our next class on:***

May, June & August
class. Ongoing review

by

Increase used car gross, pricing to market and using supporting docs to hold firm on used car pricing. Switch from old mentality of sell at any price and focus on building value and supporting why our price is good.

Objective:

Used Sales

Department:

Action plan for achieving objective					
Jan.	Feb.	March	April	May	June
July	Aug. Will have 5 months data	Sept.	Oct.	Nov.	Dec.
<p>We currently have a market based pricing strategy, but we fail to hold firm when the customer is in the store. We have many resources available to back up our pricing. More training with the sales staff, word tracks and full understanding of our market reports and other supporting data. Particularly with CPO units there is not much competition in our area so we can use that to our advantage, with our pricing report within 500 miles it includes California and shows our cars to be cheaper. We all know with the internet that the top few priced vehicles will receive the SRP & VDP action we need, that drives the traffic and we then control the gross. This was fully implemented April 1st</p>					
<p>How will you track your progress? What measurements, KPI's? How often will you track?</p>					
<p>Easy way to track will be used car gross. However we will also track 'discounts' by sales managers and sales people, that will allow us to see if certain people need further training. Reviewed weekly and monthly by management team. Discuss in doc meeting.</p>					
<p>When we started this project the YTD number is below (Jan-March) YTD front end gross running at -\$225. **Update** April front end gross \$284....HUGE improvement, it's obviously not a coincidence. Will continue to track, hopefully it will trend up.</p>					
<p>Who are the employees that will be involved, or impacted? Will they require training or assistance?</p>					
<p>Myself, sales manager, F&I and sales staff. Everyone will need more training on explaining how we price our cars and how to use the supporting documents (v auto market report, KBB fair price) Also reviewed with Dave Wallace AVP.</p>					
<p>Is there a cost, or estimated cost for implementation?</p>					
<p>No cost, we already have all the tools we need, just need to implement and stay focused.</p>					
<p>Projected date of completion? Ongoing, will review weekly and monthly results. Check progress after 3 months so we have enough data to analyze.</p>					