



Financial Management Objective Homework

Student Reggie Wakim **Name:** N3253 **Academy**
Class # 5

I plan to accomplish the following objective AUGUST 7-11 **by**
our next class on:

Provide the relevant composite data

Department	Month	Page	Column
USED VEHICLES	APRIL	18	3

Action plan for achieving objective
<p>What is the area of focus?</p> <p>The area of focus is Used Vehicles F.E gross. In the month of April my Used Vehicle department ran (171) F.E gross. That was well under BOC Honda and Group Average.</p>
<p>What is the proposed plan? How will you achieve it?</p> <p>The proposed plan is to increasing F.E. gross on Used Vehicle Department by \$800 per unit by the end of July. The way I plan on accomplishing this goal is by revising my current Used Vehicle processes.</p> <p>After taken a step back and reviewing my current processes I have found some areas that are impacting F.E. gross at my store. One of the areas I have made a change is my ACV process. I notice a pattern, deals we were losing money were new car trade ins. My sales managers were stretching to make new car deals and over appraising good retail used vehicles. I have implemented a process, every morning my lot manger before pushing a vehicle through needs to provide me with an ACV sheet. I review all ACV's and make adjustments as needed. I also have my sales mangers print out their cost of market report with every trade they take in, to review in our sales meeting. I want to know what we can sell the vehicle for in our market. This way it will have them take ownership of the vehicles they are trading in.</p> <p>Another area I discovered that was effecting my used vehicles F.E. profit was my finance managers. When a trade came in we did not make sure we had all</p>

documents we needed to obtain a title. Some of the vehicles we were waiting on titles for over a month before we had a title in our possession. The first 15-20 days we average over a \$1200 per unit and as you get further along and approaching 45 days it dipped down to \$200 or less. I needed to make some changes to insure we receive our titles in a timely fashion. Twice a week I have my title clerk and office managers print me a list of pending titles. Every day I check to see what we have outstanding and who is working on it. I have my finance managers update this file daily.

With making these necessary adjustments I feel this will help us improve our Used Vehicle F.E. gross profit. Owning and receiving titles in a timely fashion is very important to being able to capture a higher F.E. gross profit. When we look at the used vehicles we make the most F.E. profit on are cars we are moving within the first 25 days of having it in stock.

How will you track your progress? What measurements, KPI's? How often will you track?

The way I will track my progress is by utilizing my daily used vehicle tracker. This keeps track of my used vehicle volume, F.E and B.E. gross. I will be monitoring this every day and use the results to train my managers. I will also continue to review all ACV's and problem title list every day. Sit down with my sales and finance managers to make sure everyone is following the process. If they have any questions or need any additional training I can assist them.

Who are the employees that will be involved, or impacted? Will they require training or assistance?

The employees that this will involve is my sales and finance managers. I need them to pay attention to all the details that surround a deal. With increasing the F.E. gross profit will impact the whole sales department. More profitable used car department helps everyone make a little bit more money. There will be training required for my sales and finance managers and conducted by me.

Is there a cost, or estimated cost for implementation?

There is no cost associated with this process.

Projected date of completion? July 31, 2017

Jan.	Feb.	March	April	May (21) per unit F.E. gross	June
July	Aug.	Sept.	Oct.	Nov.	Dec.

