



Financial Management Objective Homework

**Student
Class #**

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Name:

326-2 2

Academy

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

JULY 24TH

by

**Provide the relevant
composite data**

Department	Month	Page	Column
NEW CARS	APRIL	6	6

Action plan for achieving objective
<p>What is the area of focus?</p> <p>N/C Inventory Dollars are over \$20mil (floorplan). Low sales volume in January, February and March, in addition to receiving 250+ facility action cars in Jan + March, our Inventory has leaped past our \$20mil floorplan.</p>
<p>What is the proposed plan? How will you achieve it?</p> <p>The proposed plan is to get the Inventory Dollars under \$20mil. Currently 21.45 as of Apr17 (22.3 May 22). We do not want to lose allocation, but need to lower our inventory dollars. More aggressive pricing strategy in volume lines (Accord, Civic and CRV), as well as selling current on-hand inventory today in exchange for or order inventory later to offset today's dollars. By the time the cars arrive in July/August, we'll have sold down the inventory enough to get back under \$20mil.</p>
<p>How will you track your progress? What measurements, KPI's? How often will you track?</p> <p>Inventory sold is being tracked on a Spreadsheet of Dollars out/In. We currently 2 weeks in have relieved the Inventory \$600k. This has also helped in lowering are aged inventory as well due to the strategy to move the oldest units first. The Inventory is being tracked daily.</p>
<p>Who are the employees that will be involved, or impacted? Will they</p>

require training or assistance?

The New Car Managers as well as the N/C Administrative assistant will be involved in the selling of both retail and wholesale units. The only training required will be tracking on the spreadsheet.

Is there a cost, or estimated cost for implementation?

The only cost incurred will be the sale of cars that have Dealer Advertising Fees (\$150). There were ten units sold (\$1500) before adjusting the strategy to include the \$150 in wholesale units instead of removing it like traditional trades.

Projected date of completion? September 30th, 2017

Jan.	Feb.	March	April	May	June
July	Aug.	Sept. 30th 2017	Oct.	Nov.	Dec.