



Financial Management Objective Homework

**Student
Class #**

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Name:

N328

Academy

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

Increase used vehicle
operating profit by
decreasing used car
policy and
maintenance

by

**Provide the relevant
composite data**

Department	Month	Page	Column
Used cars	Jul	B	6

Action plan for achieving objective

What is the area of focus?

Used car policy has been high over the last few months due to many come backs that I believe could have been avoided by better inspection practices for preowned vehicles. Getting the used car policy and maintenance down will lead to an increase in net

What is the proposed plan? How will you achieve it?

My plan is to do a more thorough inspection of all preowned vehicles prior to them being sold. I've worked out a schedule and payment plan with service. Moving forward, we will bring in all trades and cars purchased at auction within 24 hours of their arrival at the dealership to get looked at by a technician. That tech will submit a report on each car, highlighting anything that needs to be addressed to ensure customer satisfaction and safety. There will be an oil change done and all fluids topped off as well on each vehicle that clears.

Once the vehicles are cleared for sale they will have a NY state inspection

performed, the inspection sticker will be attached and the vehicle will be put on the lot to be sold. Should it be determined that the cost to repair/refurbish doesn't make sense the vehicle will either be sent back to the auction or will be marked for wholesale.

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

Progress will be monitored weekly by getting a report from service with vehicles sold within the past 60 days that come back with customer complaints. The expected result is as time goes on fewer customers come back with cars that have recently been purchased.

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

We will have 2 technicians, one sales manager, and our used car porter will be involved. The sales manager will be point person, making sure there is a steady stream of vehicles going into service to get completed in a timely manner. Our service manager will also oversee progress.

Is there a cost, or estimated cost for implementation?

There is no startup cost required. Cost per car will be \$135 for the initial inspection and write up which will include the oil change. Cost for repairs needed will vary depending on severity. There will not be a set cap but I do not anticipate investing more than \$650 total including the initial cost for the inspection.

Projected date of completion?

While this will be an ongoing plan I anticipate seeing quantifiable results within 90 days

