



## Financial Management Objective Homework

**Student Class #** Derek Ruiz **Name:** N328 **Academy**

***I plan to accomplish the following objective our next class on:*** 09/11/17 **by**

**Provide the relevant composite data**

Department	Month	Page	Column
Pre-Owned Sales	07	21	2

**Provide the relevant composite data**

Department	Month	Page	Column
Pre-Owned Sales	07	21	7

<b>Action plan for achieving objective</b>
<b>What is the area of focus?</b>
Pre-Owned Sales: Inventory Health/ Front End Gross/ Wholesale Loss
<b>What is the proposed plan? How will you achieve it?</b>
The plan will be execution on the following areas: time to market, priced in market, maintaining a strict 60-day turn
By managing inventory health, we should have an avg \$1,500 front end gross on pre-owned. We will get there by quicker turn times through service, less book drops from aging, more sales and in the end, less frozen capital/wholesale loss which has been greatly affecting my bottom line
<b>How will you track your progress? What measurements, KPI's? How often will you track?</b>
We will track (daily, weekly, monthly) our progress in our health report with our Dealersocket Inventory + feature. We will also track Front End Gross through our DMS weekly to see our increase.
<b>Who are the employees that will be involved, or impacted? Will they require training or assistance?</b>

My newly appointed Pre-Owned Manager, my Service Manager as well as my Parts Manager and of course myself. No training involved, just ridiculous focus on making pre-owned our number one goal. Pre-owned is Parts and Services #1 customer. Play as a team, Win as a team.

**Is there a cost, or estimated cost for implementation?**

No cost involved. Simply time and dedication towards making it happen. In which all three of my managers are on board. In the last 3-4 weeks alone we have gone from 16<sup>th</sup> (last place) to 1<sup>st</sup> place in our group as far as inventory health rating. Now that we have moved a lot of the old units out, the new units will start seeing our \$1,500 front end average and once we remain consistent with a \$1,500 avg. we will go to \$1,750 and then to \$2,000

**Projected date of completion?12/01/2017**

<b>Jan.</b> <b>\$1,182.00</b>	<b>Feb.</b> <b>\$938.00</b>	<b>March</b> <b>\$1,326.00</b>	<b>April</b> <b>\$857.00</b>	<b>May</b> <b>\$1,284.00</b>	<b>June</b> <b>\$746.00</b>
<b>July</b> <b>\$969.00</b>	<b>Aug.</b> <b>\$750.00</b>	<b>Sept.</b> <b>\$1,200.00</b>	<b>Oct.</b> <b>\$1,300.00</b>	<b>Nov.</b> <b>\$1,400.00</b>	<b>Dec.</b> <b>\$1,500.00</b>

Year average thus far: \$968.00

In August we had a record month for pre-owned w 44 units, however you can see the gross was half of where we need to be. August's game plan was getting rid of/retailing out of (no wholesale loss) all of our old aging non-grossing units and getting our health report up. For August I had \$16,243 in wholesale profit (+ \$295 per unit) when the average for the year was (-\$68 per unit)

Here we go September! (see health report below)



Group	Overall Health	Avg. Time To Market	Top Lead Source	Priced In Market	Less Than 60 Days	Marketed	In Progress	Wholesale
Group Health	75%	10 Days	?	77%	84%	73%	6%	21%
1 - Kendall Volkswagen of Bend	98%	15 Days	?	79%	75%	85%	7%	7%
2 - Kendall Toyota Alaska	87%	4 Days	?	76%	86%	64%	1%	35%
3 - Kendall Imports of Bend	89%	7 Days	?	80%	85%	90%	8%	2%
4 - Kendall Toyota of Bend	86%	7 Days	?	89%	84%	96%	4%	0%
5 - Kendall Fairbanks	72%	13 Days	?	91%	77%	87%	3%	10%
6 - Kendall Chevrolet Cadillac	89%	5 Days	?	71%	87%	64%	12%	24%
7 - Kendall Lexus	86%	6 Days	?	61%	69%	75%	8%	17%
8 - Kendall Ford of Wasilla	88%	10 Days	?	68%	76%	72%	4%	24%
9 - Kendall Mercedes Benz of Bend	65%	27 Days	?	74%	65%	93%	7%	0%
10 - Kendall Honda Acura	93%	6 Days	?	70%	88%	59%	10%	31%
11 - Kendall Audi VW Porsche	64%	16 Days	?	83%	67%	84%	6%	10%
12 - Kendall Toyota Oregon	66%	8 Days	?	75%	89%	75%	1%	24%
13 - Kendall Ford of Eugene	74%	10 Days	?	73%	90%	64%	5%	31%
14 - Kendall Kia of Fairbanks	52%	34 Days	?	94%	70%	96%	3%	1%
15 - Kendall Subaru	88%	5 Days	?	72%	86%	49%	5%	46%
16 - Kendall Ford of Meridian	46%	19 Days	?	82%	94%	69%	12%	19%

For the most current report, please Refresh Last Pulled: Sunday, September 03, 2017 10:12 PM PDT

New **Pre-Owned**