



## Financial Management Objective Homework

**Student**

Rob Jordan

**Name:**

N331

**Academy Class #**

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

Assess new products/create personnel change plan

***our***

**Provide the relevant composite data**

Department	Month	Page	Column
New Vehicle	Oct	18	8

<b>Action plan for achieving objective</b>					
<b>What is the area of focus?</b>	<b>Feb.</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
My area of focus is on the new vehicle selling and operating expense lines as a percent of gross. The					
July	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>
Two ways to address this area is through increasing GP or reducing expenses.					
<b>What is the proposed plan? How will you achieve it?</b>					
The first part of the plan is to focus on reducing expenses. We need to "right size" the new vehicle					
Sales management staff. We are currently staffed with 6 sales managers for 20 sales staff which is					
Too many. We will decide on the right number of managers and trim to that level. Second we will look to increase our GP. We will do this by looking at opportunities for additional products in both sales and finance.					
<b>How will you track your progress? What measurements, KPI's? How often will you track?</b>					
The overarching number I'm concerned about is line 30, page 2 of the financial statement, Selling and Operating expenses as % of sales. Our current number is 72% and I will work to get that to 65%					
The underlying 2 KPIs I will look at is the year over year supervisor comp (line 5) reduce that by 20% and YTD GP as a % of sales (currently 4.8%) raising that number to 5%.					
<b>Who are the employees that will be involved, or impacted? Will they require training or assistance?</b>					
The sales managers are primarily involved with the first phase. We will need to find other more productive places for those who are no longer sales managers. We will also need to train the remaining sales managers on any duties they may not be responsible for now.					
The second phase will likely require the assistance of our finance staff. Looking to add to our product line will require additional training for both finance and sales staff					
<b>Is there a cost, or estimated cost for implementation?</b>					
There will likely be a cost associated with adding additional products especially if we look to new selling tools as a means to maximize these new products. Training may also require some costs					
<b>Projected date of completion? Phase 1 will be completed by the end of Jan 2018, Phase 2 will be an ongoing commitment that will be measured monthly and expected results by the May financial statement.</b>					