



## Financial Management Objective Homework

**Student**  
**Class #N331**

Tyler Kelley

**Name:**

NADA3 31
29

**Academy**

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

Bring Down New Car Days Supply
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**Provide the Composite Data.**

Department	Month	Page	Column	
New Car Sales	OCT- DEC	7	9	

**relevant**

<b>Action plan for achieving objective</b>
<b>What is the area of focus?</b>
I Want to decrease the new inventory days supply.
<b>What is the proposed plan? How will you achieve it?</b>
The proposed plan is to decrease the days supply of new car inventory! First We will get very aggressive on new car pricing. Second push the leases select models/incentivized units. Third take a harder look at what we order how its ordered what we sell and how many we take/ask for.
<b>How will you track your progress? What measurements, KPI's? How often will you track?</b>
Well Currently we are at 143 days supply! YUCK! The industry standard is 45. Tracking progress will be easy we can look at the composite at days supply page 7 also we can go into the FS - new vehicle inventory \$ divided by avg YTD new vehicle retail cost sales equals days supply.. multiply by 30 equals months supply track weekly
<b>Who are the employees that will be involved, or impacted? Will they require training or assistance?</b>
New Car Manager GM Inventory Manager no training organize a meeting discussing the goal
<b>Is there a cost, or estimated cost for implementation?</b>
No cost is associated at all only have to communicate and work towards the goal
<b>Projected date of completion?</b> This will be an ongoing challenge until next year so lets just gauge it and try to move the needle from oct to dec.25

Page 7		Receivables / Inventory Management / Frozen Assets						N331 - October 2017			A & B Lines = YTD AVG	C & D Lines = Current Month
Dealer Code	Excess Svc.Parts&Body Receiveables	Excess Warranty Receiveables	Excess P&A Inventory	Excess New Vehicle Inventory	Excess Used Vehicle Inventory	Total Excess Receiveables & Inventory	Cost of Excess at 4%	New Primary Days Supply A&C In Dollars B&D In Units	New Other Days Supply A&C In Dollars B&D In Units	Used Inventory\$ A Prime B Othr C Certified D Total	UV Inventory \$ A 31-60 Days C 60+ Days B&D % Total	
PRU Per Month	% Total Excess	% Total Excess	% Total Excess	% Total Excess	% Total Excess							
1	2	3	4	5	6	7	8	9	10	11	12	
Tyler-29	131,079	1,804	66,289	7,723,853	5,906,862	13,829,887	553,195	119	0	10,926,958	4,458,997	
198	0.95	0.01	0.48	55.85	42.71			164	0	0	40.81	
	111,088	2,013	62,316	5,550,762	5,807,518	11,533,697	461,348	82	0	0	0	
221	0.96	0.02	0.54	48.13	50.35			129	0	10,926,958	0.00	