



Financial Management Objective Homework

Student Name:

Academy Class #331

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

The plan to increase Total Used Vehicle retail unit from 7 in October to an average of 15 by December, 2017

Department	Month	Page	Column
Used Cars	Oct	18	12C

Provide the relevant composite data

Action plan for achieving objective
What is the area of focus?
The area of focus is Increasing Used Vehicle retail sales to a consistent number monthly
What is the proposed plan? How will you achieve it?
The proposed plan is to increase Used Vehicle Retail sales by December 31, 2017.
The plan would involve merchandising the Used Car lot much more effectively. Currently, due to real estate constraints it is very difficult to even pull a car out in order to take a test drive. I propose moving 25 New Cars into the back of the lot and spreading out the pre-owned. The fact that there is a Fiat/Alfa sign on the building with a few representative new Guilias and 500Es in front will be enough as well as the 7 new cars on the showroom floor. This will allow for the adjacent pre-owned lot to look much cleaner and allow for easier passage to the parts and service drive.
How will you track your progress? What measurements, KPI's? How often will you track?
The NADA composite tool is very useful and we can see that the trend showed from September to October inventory increased and the sales went down. Paying closer attention to inventory turn and merchandising I believe will be the key. The amount of inventory isn't as much of a problem as not moving around enough to show activity. Once a week we will have a "Lot Party" and completely rearrange the staging. This will give the lot a "fresher" look constantly and to the average passerby will look more active. Finally utilizing our CRM DealerSocket, and focusing on tracking and improving our test drive numbers which will ultimately lead to more sales which should be easier especially considering we won't have to move 4 cars to pull one out.
Who are the employees that will be involved, or impacted? Will they require training or assistance?
The employees involved will be the Sales Manager Robert Bartolo and Ryan Satterfield who handles sales. It will have an effect on service slightly because of the congestion in back with moving additional cars to the rear of the showroom so that will also affect our service manager Chuck Kempf. The idea will be though that is easier to buy in when you are seeing more work. The more used cars we sell the more service is needed and hopefully parts.
Is there a cost, or estimated cost for implementation?
The cost associated with the implementation of the plan to meet our goal will be time. Rearranging the entire lot once a week is time consuming. We could also experiment with coming in an hour early on the weekly designated day and working together to bang it out quicker.
Projected date of completion? December 31, 2017. That is in the short run at least. Ideally once we get the numbers stabilized however we would like to increase them from that point monthly.

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