



Financial Management Objective Homework

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Class #

I plan to accomplish the following objective Mar. 31 2018 **by**
our next class on:

Provide the relevant composite data

Department	Mont h	Page	Colum n
Used Cars	Nov	P18	5B

Action plan for achieving objective
What is the area of focus?
<i>Gross Profit Retention on Sales (P.18-5B)</i>
The dealership's Avg. YTD GP return on sales is currently at %7. My area of focus will be raising the return on sales to %11
What is the proposed plan? How will you achieve it?
<ol style="list-style-type: none"> 1. Run with a leaner Inventory that is more in demand and increase gross. We are currently selling an average of 213 used cars per month with an average C.O.S. = \$3,821,722 but we are stocking \$8,208,594 leading to Aged Inventory and lower Grosses. I plan on selling through the inventory and replacing with cheaper cars that have a low market day supply, driving a higher demand. 2. I will price cars based off of the market. This will lead to a faster turn, avoid depreciation and improves grosses 3. Training. I will put on a 2 day training session every month for our sales staff, covering the steps of the sale, Market based pricing, follow up. Have our reinsurance company send out a trainer to work with my finance managers on improving there PRD by selling more product at a higher profit.

How will you track your progress? What measurements, KPI's? How often will you track?
I will track my progress through Vauto's inventory management tool, I will use the sales log to measure the gross. I will track once a week.
Who are the employees that will be involved, or impacted? Will they require training or assistance?
Salesman, Sales Managers, Finance Managers. Yes they will require the training listed above
Is there a cost, or estimated cost for implementation?
\$0 cost
Projected date of completion? March 31 2018

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