



Financial Management Objective Homework

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Academy Class # N332

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

Department	Month	Page	Column
Used Vehicle	11	4	R20

Provide the relevant composite data

69,166

Action plan for achieving objective
<p>What is the area of focus?</p> <p>The area of focus is to achieve a higher gross profit per used passenger car. As a majority truck dealer, used cars gross and volume, is significantly lower than I believe it should be. I intend to increase this.</p>
<p>What is the proposed plan? How will you achieve it?</p> <p>The plan is to acquire through Manheim auctions, a number of 2011-2017 Chevrolet Cruze's. There are off-lease LT models that sell for roughly CA\$9000-\$19000 depending on year/odometer. I plan to purchase about 5-10 vehicles at a time and price them at/lower than the lowest priced Cruze online. We have stocked multiple Cruze's already before and they have always sold before 90 days. They tend to sell quicker than the more expensive SUV's in our market that we normally purchase at auction which normally gross maybe \$1-3k, these Cruze's should gross less per unit, but with more volume of sale, will increase our used cars gross profit.</p>

How will you track your progress? What measurements, KPI's? How often will you track?
Progress will be tracked through the departmental gross profit analysis. I will measure, on a monthly basis, the growth that it will bring potentially in used vehicle sales as a whole, and the used F&I with more potential items being bought in the business office. Other auction expenses will be re-organized as to not overspend while at the auction.
Who are the employees that will be involved, or impacted? Will they require training or assistance?
The employees involved will be all the salespeople. The only training required would to research information like trims, standard options, etc. on the Chevrolet Cruze, as it is not a vehicle normally in our lineup.
Is there a cost, or estimated cost for implementation?
The cost for implementation is the cost invested into purchasing the vehicles at the auction. The vehicles can range in price, but we plan on having in stock at least 5-10 at a time judging by our market size.
Projected date of completion? 11/30/2018

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