



Financial Management Objective Homework

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Class #

I plan to accomplish the following objective July 17, 2017 **by**
our next class on:

Provide the relevant composite data

Department	Month	Page	Column

Action plan for achieving objective
What is the area of focus?
Absorption Improvement with primary focus on Parts sales and margin
What is the proposed plan? How will you achieve it?
<ol style="list-style-type: none"> 1. Determine customers with softer sales & work with parts team to determine why sales are down. Develop plan for revisiting and/or reestablishing relationships with priority given to customers based on potential. Potential will be driven primarily based on past sales experience and known market information. 2. Assess parts pricing opportunities by leveraging learnings from parts pricing consultant 3. Assess front counter/back counter/call center upsell activity - is there an opportunity that we are missing; backcounter will be primary focus in this area. 4. Ensure big buy inventory sell through - to maximize margin potential from parts purchased at discount. 5. Evaluate cost savings opportunities across all departments with emphasis on overhead. Act on any identified immediate opportunities quickly 6. Work with Scott in his effort to help service achieve higher gross profits
How will you track your progress? What measurements, KPI's? How often

will you track?
Monitor sales trends and margin for parts; track overhead spending and absorption monthly
Who are the employees that will be involved, or impacted? Will they require training or assistance?
Parts sales is critical and may require training in upselling & customer communication. Depending on the area of savings, many may be impacted by overhead/expense cost reductions. Training may be required.
Is there a cost, or estimated cost for implementation?
The biggest cost will be the training and time needed to educate.
Projected date of completion? I anticipate progress by July but expect to achieve the desired absorption of at least 105% by the 4 th quarter or Oct 31 st .

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