

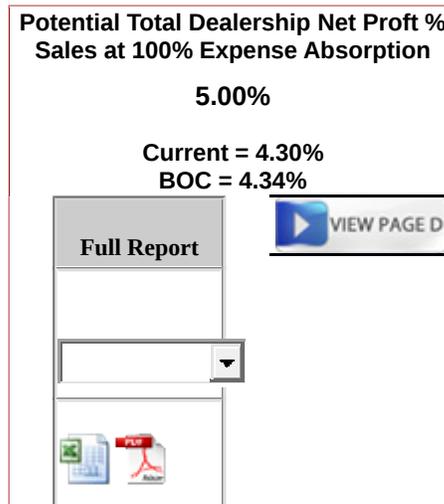
## Financial Management Action Plan Homework

*Homework is due the Monday of the week before you return for Parts Class*

Student Name: \_\_\_\_\_ Sunny Rathore \_\_\_\_\_  
 \_\_\_\_\_ 350-10 \_\_\_\_\_

Academy Class #:

Expense Absorption %NV Dependency =  
 5.90Used % = 24.41Service % = 44.67Parts %  
 = 25.02Body % = 0.00



### GOAL WRITING

Example: I decrease my 5K run time from 30 minutes to 21 minutes by June 15, 2019.

To increase used absorption from? 24% \_\_\_\_\_ to? \_\_\_\_\_ 40% \_\_\_\_\_  
 \_\_\_\_\_ by? \_\_\_\_\_ August 2019 \_\_\_\_\_

How do you plan to achieve your goal:

My goal is to increase used absorption to 30%+ (end goal is 40% but this is short term) so as to not be so dependent on new car profitability. While there are many ways to achieve this, we have specific opportunities in our store to get this done: 1) we have opportunity with used car gross per copy. If we are able to increase front end pru from \$1515 to \$1715 and backpru +\$100 per copy from \$1252, we would show an increase of gross of over \$58,000 per month. 2) selling an additional 15 units per month at the new per copy would also add \$46000 to the total gross, giving a total increase of \$105k. We are implementing processes now to increase units and gross in preowned, including weekly training for price objection handling, fi turn process, etc. We have also asked all business managers to get involved earlier in

**deals, ideally before a customer has already written a check or obtained financing from another outside lender!**

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**How will you track your progress? We will track this progress every week in manager meetings as well as finance meetings. Forecasts for this goal will be given to all managers for expectations and then checked on in these meetings using Axxessa metrics. We will check front end pru and backend pru on used vehicles.**

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**The benefits of achieving this goal will be:**

**Increased used absorption which will in turn increase used car net and total bottom line. Less dependency on new means we could potentially be even more aggressive on new car pricing which would provide more trades and increase this cycle even more!**

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**Take Action!**

<b>Potential Obstacles</b>		<b>Potential Solutions</b>
<b>osf - credit union with low rate special)</b>	-	<b>manufacturer low rate (cpo</b>
<b>salesppl buy in to price philosophy culture</b>	-	<b>ongoing training develop</b>

**Who on you staff will need to be involved to accomplish this goal:**

**all sales managers, business managers, and salespeople - team effort**

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**Specific Action Steps:** *What steps need to be taken to get you to your goal?*

**What?**

**Expected Completion**

**Completed**

**Reduce recon time from 8-12 days to 4-5**

**june 30 19**

**Get business managers involved taking turns early**

**may 13**

**Ongoing training with salespeople  
continue weekly**

**already started on this will**

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