



Financial Management Objective Homework

Student Name:

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Academy Class #

ATD041

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

Review in July 2019 and
monitor throughout 2019

Provide the relevant composite data

| Department | Month | Page | Column |
|--------------------------------------|-------|------|--------|
| New and Used F & I Gross per unit | March | 27 | 3 |
| | | | |

Action plan for achieving objective

What is the area of focus? Improve finance income per unit for each new and used truck sold. We are currently averaging .5% point bump on new and .5% point on used over buy rate.

What is the proposed plan? How will you achieve it? Going forward we will increase our new truck quotes by .5% to increase the quoted rate to 1.0% above the buy rate and increase our used rate by .5% which will raise our overall rate of 1.50% to the customer. We are currently having to use Daimler Truck Financials Cash Conversation rate in order to be more competitive in our markets. Through the month of March we have done 45 contracts and booked \$96,987 (\$32,310 per month) in F & I Income. That comes to an average 45 contracts and \$718 per contract. My goal is to increase this to \$1,000 per contract.

How will you track your progress? What measurements, KPI's? How often will you track? I will track our progress by reviewing each individual deal with our Finance and Insurance Manager on a weekly basis. We will examine each deal looking at what our buy rate is, what we charged, and did we get the deal. If we did not, was our rate too high or was it truck price, etc.

Who are the employees that will be involved, or impacted? Will they require training or assistance? Beside myself, our Financial Operations Manager, David Wilson, our Finance and Insurance Manager, Donna Hauptman.

Is there a cost, or estimated cost for implementation? There is no direct cost to implement.

Projected date of completion? July 2019 but will truck remainder of 2019

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|------|------|------------------------------------------------------------|-------|------|------|
| Jan. | Feb | March # of total contracts – 45 Gross per - \$718 | April | May | June |
| July | Aug. | Sept. | Oct. | Nov. | Dec. |

