



Financial Management Action Plan Homework

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

Student Name: **Zachry Powell** _____
N352 _____

Academy Class #:

Composite Data Reference: Depart: **Parts** _____ Page: **38** _____ Column: **3** _____
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GOAL WRITING

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

What is your Goal? **Review and work to increase Parts Gross Profit margin from 32.13% _____ to? GM Best of Class 36.17% _____ by? March 1, 2020 _____**

How do you plan to achieve your goal:

- 1. Meet with management team to review our current situation and share strong vision and goal (Benefits/Obstacles).**
- 2. Follow up daily with "Daily Operating Controls" reviewing parts margins in each pay type: C, W, I.**
- 3. Enforce strict 40% margin on all parts unless authorized by management for price change.**

How will you track your progress? What measurements, KPI's? (think about current vs past measures)

Parts margins are easy to view by pay type when looking at gross profit as a % of sales. It would be worthwhile to look at our margins daily through several transactions in order to see where we are doing well or doing poorly.

The benefits of achieving this goal will be:

The benefits of achieving this goal would equal to an estimated additional \$14,444 per month in gross profit.

Take Action!

Potential Obstacles

Potential Solutions

**Charging retail price on internal parts
present the Company goal**

Meet with used car dept. to

**Earning buy in from parts managers for enforcement
management to keep focused**

Meet DAILY with parts

**Increase in price may decrease sales
require sacrifice in margin**

Make it clear, sales may

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

Starting from the top, I will need to request ownership and general manager participation. Furthermore, I will need the parts director and the parts managers to also be involved to accomplish this goal.

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

What?

Expected Completion

Completed

Meet with ownership and present action plan

July 31, 2019

Meet with parts management team and review margins

August 15, 2019

Enforce parts management is reviewing daily margins

DAILY

Conduct weekly meetings to review performance

Every week after 8/15/19
