



Financial Management Objective Homework

Student Mark W. Bailey **Name:** N327 **Academy**
Class #

I plan to accomplish the following objective 8-14-17 *by*
our next class on:

Department	Month	Page	Column
Service	May	37	9
Action plan for achieving objective			
What is the area of focus?			
Reduce Service Semi-Fixed Expenses to 12% of Service GP			
What is the proposed plan? How will you achieve it?			
Monitoring and controlling all semi-fixed categories, with primary focus on Supplies and Laundry and Outside Services. Eliminating underperforming/unproductive/unnecessary programs. Negotiating better pricing/rates with suppliers and vendors, or finding different suppliers/vendors. Implement a shop supply charge on CP RO lines to recoup consumables expense.			
How will you track your progress? What measurements, KPI's? How often will you track?			
Monitor Detail General Ledger by account on DMS, checking balances weekly. Compare weekly DGL postings to weekly Repair Order Analysis to keep track of progress in relation to percentage of GP. Do deep DGL dives in targeted areas that are not decreasing adequately or increasing. Spot check 2-3 accounts per day, monitor Supplies and Laundry DGL balances daily.			
Who are the employees that will be involved, or impacted? Will they require training or assistance?			
Service Director, Parts Director, Service Advisors, Shop Manager. The Service Director, Parts Director and Shop Manager will work together on elimination of waste and rebidding vendors/suppliers. Service Director will perform DGL monitoring and analysis. Service Advisors will be responsible for assuring shop			

supply charges are adequately applied. Implementation will be the responsibility of the Service Director. Process mapping and information sharing will be the primary means of execution. No additional training or assistance should be required.

Is there a cost, or estimated cost for implementation? No

Projected date of completion? 6-16-17 for implementation, progressive improvement monthly (-1% monthly goal), final goal by 12-31-17.

Jan.	Feb.	March	April	May	June 16.9%
July 16.3%	Aug.	Sept.	Oct.	Nov.	Dec.