



## Financial Management Objective Homework

**Student Class #** Brian Rutt **Name:** 323 **Academy**

***I plan to accomplish the following objective our next class on:*** 04/03/2017 **by**

**Provide the relevant composite data**

Department	Mont h	Page	Colum n
Service	Jan	29	9

<b>Action plan for achieving objective</b>
<p><b>What is the area of focus?</b></p> <p>Increasing service department profit. Actually making a profit to start. We lost \$3993 in January and \$10,815 for 2016.</p>
<p><b>What is the proposed plan? How will you achieve it?</b></p> <p>To raise efficiency and reduce costs. The efficiency part that I will focus on first is making sure that we maximize the hours that we have to sell. I have hourly service employees that often have down time that can help ensure that the flat rate techs spend the most time possible working on actual repairs. A lot of time is wasted going to parts. I will have spare hourly techs make the parts runs for the techs whenever possible to keep the wasted time to a minimum. I will also work on some type of a bonus plan for the parts counter people that is tied into increasing tech time maximization. Also going to put up a hours available vs hours sold scoreboard in the service department so that everyone knows the goals. We have a finite inventory of hours to sell every day that all expire at the end of every day.</p>
<p>Reducing costs involves looking into every bill that we have (every check that we write) that is a result of service. I am sure that there are services that we don't even need and plenty of contracts/agreements that can be revisited to find savings. I am new to the store and the role but I doubt that anyone has really looked into all of the little expenses in some time. Also going to look into making sure that we have just the right amount of staff to support the business fully</p>

without any extra.
<b>How will you track your progress? What measurements, KPI's? How often will you track?</b>
Progress for selling the max amount of inventory (hours) can be done everyday from the reports that will be updated on the scoreboard every day. The true tracking of success will come off of the statement at the end of the month and the fixed absorption rate to a degree.
<b>Who are the employees that will be involved, or impacted? Will they require training or assistance?</b>
All service and parts employees will be involved in some degree. They will all need training and assistance in understanding the goal and what their role is in achieving it.
<b>Is there a cost, or estimated cost for implementation?</b>
There will be no real cost of implementation.
<b>Projected date of completion?</b>
<b>Tracking progress will be an every day item and the goal for seeing improvement is on the February statement. This area of focus has no real completion date though. This is an ongoing task and can always be improved on.</b>

<b>Jan.</b>	<b>Feb.</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
<b>July</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>