



## Financial Management Objective Homework

Action plan for achieving objective					
<b>What is the area of focus? Parts counter sales, gross to get to guide. And reduce policy and delivery expense in the sales dept. By doing so it will bring the fixed absorption closer to guide as well.</b>					
<div style="border: 1px solid black; display: inline-block; padding: 2px 10px;">4/16/18</div>					
<b>What is the proposed plan? How will you achieve it? talk to the manager to discuss his process. Remove discounting to department, increase w/s business. \$35K of w/s business is from inter company. We need to increase outside vendor w/s sales.</b>					
<b>Work with sales to make sure cars are sold with the correct repairs to avoid comebacks.</b>					
<b>How will you track your progress? What measurements, KPI's? How often will you track? Set a forecast number for the parts dept to hit and monitor it weekly. Watch the policy acct and delivery expense and hold the dept accountable.</b>					
	Feb.	March	April	May	June
July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>Who are the employees that will be involved, or impacted? Will they require training or assistance?</b>					
<b>Parts Manager, 2 Parts counter. They will be assisted by the Parts Manager when a decision is made to change pricing. Sales Management for policy expense control. No training needed.</b>					
<b>Is there a cost, or estimated cost for implementation?</b>					
<b>no</b>					
<b>Projected date of completion? 30 days to adjust discounting , 90 days to work on W/S business. 30 days for policy decrease.</b>					

**Student Name:**  
**Academy Class #**

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

**Provide the relevant composite data**

	MTD SALES	MTD GROSS	MTD % GPOS	MTD COST	GUIDE	RECIPROCAL	ADJUSTED SALES TO MEET GUIDE	ADJUSTED GROSS	INCREASE D GROSS	INCREASE D SALES	NEW % GPOS
PARTS RO	\$ 29,395.00	\$ 9,212.00	31%	\$ 20,183.00	41%	59%	\$ 34,208.47	\$ 14,025.47	\$ 4,813.47	\$ 4,813.47	41%
PARTS INTERNAL	\$ 14,451.00	\$ 3,927.00	27%	\$ 10,524.00	41%	59%	\$ 17,837.29	\$ 7,313.29	\$ 3,386.29	\$ 3,386.29	41%
PARTS COUNTER	\$ 5,446.00	\$ 1,509.00	28%	\$ 3,937.00	41%	59%	\$ 6,672.88	\$ 2,735.88	\$ 1,226.88	\$ 1,226.88	41%
PARTS W/S	\$ 45,805.00	\$ 8,200.00	18%	\$ 37,605.00	25%	75%	\$ 50,140.00	\$ 12,535.00	\$ 4,335.00	\$ 4,335.00	25%

TOTAL	\$ 95,097.00	\$ 22,848.00		\$ 72,249.00			\$ 108,858.64	\$ 36,609.64	\$ 13,761.64	\$ 13,761.64	
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	CURRENT GROSS FIXED OPERATIONS	PARTS GROSS PROFIT INCREASE	NEW GROSS FIXED OPERATIONS	CURRENT OVERHEAD EXPENSE	REDUCTION OF DELIVERY COST	ADJUSTED OVERHEAD EXPENSE	PRIOR ABSORP	NEW ABSORP
FIXED ABSORPTION	\$ 121,481.00	\$ 13,761.64	\$ 135,242.64	\$ 199,399.00	\$ (7,000.00)	\$ 192,399.00	61%	70%

