



12 Steps to F&I Succes\$\$ - Step XII Review / Revise

Big improvements can be accomplished with relatively minor changes to procedure. Clear guidelines from management can go a long way toward increased productivity.

There comes a time in every business cycle when senior management has to look at productivity and realize where they are and how they got there. This is usually done via the daily doc report. Some dealerships will look at production monthly when reviewing the financial statement. Yet others will conduct a quarterly review when reviewing year-to-date figures. Regardless of when it occurs, the review must entail a side-by-side comparison of goals and actual figures for every person, product and percentage involved with each deal.

Every manager, every F&I writer and every sales representative's production must be viewed not only in the front end of the deal, but also for finance department production. How many deals were completed? How many were financed? How many deals had service agreements, pre-paid maintenance agreements, protective coatings and security systems? The reports should indicate numbers, percentages and average profits in every category in addition to the totals.

LOOK AT THE PROCESS

Are the results meeting company expectations? Are the gross profits meeting or exceeding the company's expectations? The company should set the retail sales price and any acceptable price variations for products that are not regulated at the state level.

Once you know where you are, how does that compare to your goals? If you are witnessing a shortfall, identify the categories and personnel who are having difficulties. Does the dealership offer products that all personnel can genuinely support? Do not assume all products automatically "earn" value. If the presenter is not sold on the value of the products, the presentation will reflect it. As we all know, a half-hearted presentation is a recipe for a zero in the tracking log.

Does the F&I writer see every customer at the point of commitment before the customer leaves the dealership? Does the customer receive the figures over the telephone or Internet without learning the benefits of dealer-assisted financing or the protection products? Is there evidence of the presentation attempt in the files? Or is there merely a signed customer declination form in lieu of a policy?

Consider your products: How well do they fit into a menu? Does the menu offer choices? Are there different levels of protection? Difference creates opportunities for both the customer and the dealership.

MAKE NECESSARY CHANGES

After senior management identifies the specific areas that need shoring up, change what has to be changed. And don't make the mistake of thinking that nothing short of a complete overhaul will do. Often, a few minor adjustments can generate major improvements.

Monitor the effect of the changes you make and tweak as necessary in order to produce the desired results. Daily monitoring of percentages and averages works best for making adjustments during the month to help everyone stay on pace.

GET READY FOR SUCCESS

Those who have read previous articles in this series will recall that the products presented in the F&I department should drive service. The financial center presentation must be consistent, using products with undisputed value for both the customer and the dealership. Producers need to own and work toward monthly, quarterly and annual goals. And everyone in the dealership must be accountable for doing something differently in order to achieve the best at each of the 12 Steps to F&I Success.

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