

Departmental Action Plan Template

Student Name: Billy Kirchhofer

Class & Student Number: N342-06

Academy Week (Var II):

Current situation or challenge you want to address: (must be quantifiable) We have only had 1 full time finance manager at the General Motors store (Chevrolet, Buick GMC). The largest challenge we are encountering now is being understaffed in our Finance & Insurance department and its effecting our overall PRU and customer wait time. We sold 158 vehicles in March and 159 vehicles in the month of April. Our average time for delivery can be up to 2 hours when we get backed up. Our average PRU is \$1,070 in February and \$968 in March, after chargebacks. With having only 1 finance manager, he is averaging over 100 deals per month with the increase in volume we've had. With this being said customers are upset with wait times, not interested in any products, just want to leave. Sometimes we're also missing going over a menu presentation effectively.

Overall Objective and Specific Desired Results: Our overall goal that must be accomplished immediately is to hire 1 more experienced full-time finance manager. With having 2 full time finance managers this will allow us to have sales to F&I handoff/introduction on the showroom floor. Our desired goals for this is to decrease customer wait time to under 30 minutes, with a long term goal of under 45 minutes max. We would also like to see our PRU at an average of \$1,600.

Describe your action plan in detail (be specific and include before and after Measurements) We have interviewed 5 applicants and are going to move forward with 1 applicant as a full time finance manager. The effective start date is June 1st. This will then allow us to take our average of 150 deals per finance manager, to 75 immediately. This will speed up the overall wait time for customers, which in hand should increase customer satisfaction, products per deal and increase PRU. We are also currently training all of our sales consultants on presenting all of our menu items before the customer goes into the finance office. This will make the customer familiar with the products and know how many components the vehicle has to help assist the finance manager. This will also help in building value and letting the F&I manager aware of what the customers initial reactions are.

Measurements: Currently our finance manager is averaging almost 125 deals Year to date, with an average PRU of \$1,056 after chargebacks. With the addition of a second full time finance manager, adding the sales to F&I handoff/introduction, continuous training with sales associates we should see immediate positive results. Our (2) finance managers will work as a team and should now average around 75 deals per month a piece. Ideally this will give us better customer satisfaction, more time with customers, better preparation and organization as well. We believe that all of the above factors listed will lead to higher efficiency and more dealership profit. We hope to see our wait time at 30 minutes and no longer than 45 minutes. Our PRU should rise and get to our goal of \$1,600.

Timeline:

Describe specific short term and long term checkpoints to monitor progress

SHORT and LONG TERM GOALS: As a team we fully understand that this will be a transition and there will be growing pains in this new process. Our goal by the end of June 30th, 2019, is for each finance manager to average 85 deals, customer wait time is reduced to less than 1 hour max, and our PRU is \$1,400.

By July 30th, 2019, we should have every finance manager touching less than 75 Deals a month, customer in and out of the dealership within 45 minutes and average PRU to be at \$1,600.

Meeting with Stakeholders (dealership personnel)

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences (PINO, Gain, Pain).

Include timelines / Accountability / Monitoring process

- a. **Who:** Billy Kirchhofer, General Motors General Manager

- b. **What:** 2nd finance manager hired and trained on our processes. Sales consultants training and presenting value to all menu items during sales process. Take customers wait time from over 2 hours to under 45 minutes. Take our average PRU from \$1,056 to \$1,600.
- c. **By When:** Beginning June 1st, 2019, new finance manger hired and trained on processes. Sales consultants being trained on new menu presentations during the sales process. Customers wait time under 1 hour. See above for details on next 90 days.
- d. **How:** Daily sales meetings with sales consultants, sales managers, and finance managers to go solidify processes needed to put all these actions in place. Improving sales consultant's menu presentation. Building value for the customer on our products being sold. Additional finance manager will reduce the amount of deals being processed from 150 to 75 on average per month. This will allow for more organization and ensuring a better customer experience front to back.

Dealer agreement:

If you need your sponsors support or approval to implement your plan, have it signed off before you start. If you can proceed on your own, present this action plan to your sponsor before next class. Describe the meeting:

Shane Huffman (Owner) is extremely excited about how much revenue that can be gained by adding another finance manager and implementing the processes needed to boost our PRU to \$1,600 per, organization, improved CIT timeframe and increase customer satisfaction.. This has the potential of increasing our bottom line by over \$100,000/month if we can attain our goals.
