

ACTION PLAN 1

S Specific
M Measurable
A Achievable
R Relevant
T Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

Decrease Contracts in Transit and funding in bank time from 5-6 day (Current store benchmark) down to 3 days prime deals 4 days sub-prime deals.

I expect to achieve my goal by October 31, 2020

BOTTOM LINE: Benefits of Achieving Your Goal

Cash = Oxygen

It will infuse our dealership with more cash on hand allowing us to use the cash more effectively to make money by either having less floorplan and thus less F.P interest expense or even putting into a CMA account that will make interest for us.

Consequences of Not Achieving Your Goal

Contracts that either do not fund within first 3-5 days tend to either get returned or worse in some rare cases fall into a no-fund category (where a new approval will be needed because the old approval timed out and rates can change or an unexpected change ie.. loss of job etc makes this customer not able to be bought by any of our lenders).
 Worse case scenario = repossess vehicle
 In addition to cash strapping the dealership.
 Ultimately "lack of oxygen" can cause compant to go out of buisness br out of trust

Will begin this week

When will you start?

How will you gauge your progress? When? Using which metrics?

By tracking all Deals send out with a shared DOC that lists each deal and when it was E-Contracted or Fedexed.

Then tracking the funding lending sources such as Dealertrack and Kia's Dealer Access on a daily basis to see who is on top of their fundings and who is dropping the ball

Sending out a shared email praise/shame update on a daily basis.

Ultimately hold F&I 100% accountable (unless there isa legitamite reason for the dealey) by 1st offense warning, 2nd offense 50% commission loss on that deal, 3rd offense 100% commission loss.

What specific actions will you take to achieve your goal? Who can help you?

To reiterate what was mentioned above: tracking all Deals through shared DOC that lists each deal and when it was E-Contracted or Fedexed. Tracking the funding lending sources on a daily basis to see who is on top of their fundings and who is dropping the ball and sending out a shared email praise/shame update on a daily basis.

I will have each employee be responsible for their particular job and enlist the help of the Controller with a current CIT schedule to also track CIT's in bank. After holding a meeting with all parties involved (F&I, Billers, Sales Managers, etc) to improve this process within 30 days. I will incentivize the employees with an employee of the month and a Gift card of \$500 for which ever employee consistently achieved my minimum standards i.e. F&I who had best record for collecting all stips needed and had least contract delays, biller who consistently billed out and fedexd same day without errors.

Potential Challenges?

Employees placating me with promises but not buying in or using excuses i.e i faxed it to bank dont know why confirmation isn't there, we had a busy day couldnt get everything out, I send it to billers, etc

Potential Solutions?

Remind them that their pay is dependent on them doing xyz as part of their position and implementing a penalty system for when objectives are not met.