



## HOMEWORK ACTION PLAN

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 R RELEVANT   
 T TIME-BOUND

Name Santiago Lueje Ruiz Class # N400

Dealership Porsche Centre San Ángel & Santa Fe, Mexico City Date 1/16/2023

Current Situation or Challenge to be Addressed:	Increase the F&I Penetration in Volume of Credit and Leasing Contracts as well as Insurances of our Vehicle Sales with Porsche Financial Services		
Current Performance Level (include specific measure):	Currently we have an average monthly F&I Penetration YTD at the end of 2022 of 13.3%		
Goal (what do you want to achieve?)	Reach an average monthly F&I penetration of 25% by the end of 2023, to reach 60 F&I Contracts from our 2023 Vehicle Sales Objective of 240 units for 2023.		
Goal Performance Level (include specific measure)	We will be constantly measuring and monitoring the performance of F&I Penetration of each sales consultant of each operation of the month, weekly and at the end of each month, to take corrective actions and seek to reach the objective and have time for maneuver		
Goal Start Date:	1/1/2023	Goal End Date:	12/31/2023
First Check-in Date:	3/31/2023	Performance Objective:	15%, 15 contracts
Second Check-in Date:	6/30/2023	Performance Objective:	18%, 30 contracts
Third Check-in Date:	9/30/2023	Performance Objective:	22%, 45 contracts
Fourth Check-in Date:	12/31/2023	Performance Objective:	25%, 60 contracts
How does your goal align with the dealers' vision?	It is aligned with the vision of offering quality products to customers and generating benefits for the company and its staff		
What are the potential benefits of achieving your goal?	If achieved, higher income and benefits will be generated for the company and staff		
What are the potential consequences if you don't achieve your goal?	The consequences of not reaching it are that income will not be generated, the operating expenses of our Dealerships will not be absorbed, and losses are generated for the company, the objectives signed with the brand are not achieved, the dealership of the year program bonuses are not achieved, as well as the bonuses of our finance program. Since Porsche Financial Services is our Captive Finance Partner with whom we have our program		

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	poor performance and Penetration turns into a higher Floor Plan Rate which generates higher Finance Costs increasing the expenses of our dealership.
Why is the goal important to you?	Because of the situation of shortage of new cars, the business has to be balanced more towards other departments like Financial Services. Our goal is not to sell cars, but to generate profits, since they are the ones that help absorb the dealer's operating expenses, and will generate benefits for the company and all its staff. By increasing our F&I Penetration we will be generating more profit from F&I Incentives from Credit and F&I contracts as well as Insurance. We will also get discounts on our floor plan rate cutting costs and expenses down.
Potential Obstacles	-Market uncertainty,-Higher Interest Rates, -Long Wait times for new cars Costumers have more time to save and end up paying cash for their cars, -Competition: External Banks and leasing companies with more competitive and attractive interest rates and deals, Porsche Financial Services has tougher authorization policies than external competition,-Costumer Profile: Our Costumer Base has no trouble paying cash for their cars now that they wait times are so high it becomes much harder to convince costumers to go with credit or leasing and pay interest for their cars, we have a saying in Mexico that says that no one is at war with their money and our cosutimer profile earns from interests doesn't pay interests, -Teamwork and Communication between the sales consultants and F&I Manager is not at its best
Potential Solutions	Better communication and collaboration between all the departments and teams: Markting, New Car Sales, Porsche Financial Services, Preowned and Fixed Ops, to develop a robust plan to offer F&I products in each customer contact point. Further exploit our own database of new cars, preowned, service, leasing terminations, spare parts, to make offers of F&I Products. Create a Financial Services Robust 360 Marketing plan, based on digital tools for the promotion of inventory and F&I products and monthly deals for credit, leasing and insurance. Exploit and increase our mix of loyalty products like leasing and Porsche Today, which can represent better interest rates and deals for our costumers. New Pay plans that reward F&I penetrarion,-In house training and reinforment of F&I Products,- Work together with Porsche Financial Services to generate deals for costumers at the moment they order their cars and that we can respect throughout their waiting time for delivery, Develop with PFS new F&I products and plans to attract new costumers or to make Porsche Fiancial Service more attractive and differentiated from the competition, -Fresh and new start for F&I Manager and Sales Consultants to have an opportunity to start off on the right foot 2023, with improved communication and teamwork
BOTTOM LINE! Financial Impact of Achieving Your Goal (expressed in dollars)	We finished 2022 with a total of \$2,288,557 of paid incentives from F&I contracts from 28 New and 10 Used, and average of \$60,225.88 per contract. With our 25% F&I penetration and 60 contracts objectives, we will be generating \$1,927,228.16 additional pesos in 2023 profit from F&I incentives

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What specific actions or steps will you take to accomplish your goal? What will you do differently or improve? For each, be sure to include necessary resources, who is accountable, the measurable result, and dates.

SPECIFIC ACTION/STEP	NECESSARY RESOURCE(S)	ACCOUNTABLE PERSON(S)	EXPECTED RESULT	START, END, & CHECKPOINT DATES
Financial Services Marketing Plan (Digital and Events) for Promotion of F&I Products, for the generation of F&I Product leads, F&I Promotion Plan through Videos with VentaVid	Marketing Investment Budget for Ads on Digital Platforms Agreements with platforms and digital vendors to generate digital campaigns Agreement with Google to improve Google Business Profile and Implement Google Cars, Google Vehicle Listing Ads, Google Products  Agreement with Venta Vid for the promotion of Inventory through videos	Marketing manager F&I Manager Sales Manager Pre-Owned Manager  Service Manager  Digital Marketing Agencies and Vendors	-3 F&I Fair Events per semester, 30 guests, generate 3 financeleads and 3 insurance leads -6 Mailings and SEM/Ads Campaigns for Inventory & F&I Product Promotion to the DB generation of 5 finance leads per month, and attraction of traffic to our website in the SRP's section, and have a conversion to VDPS greater than 2% -12 Mailing Campaign to the DB to promote our F&I Products and deals for example: Electric Rate for Taycan, Porsche Today, and each months finance and insurance deals. Strengthen the Google Bsuiness Profile Be pioneers in Mexico in advertising cars through Google with Google Cars, and Google Vehicle Listing Ads	01/01/2023-31/12/2023  Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
Porsche Financial Services Action Plan to Increase F&I	Terminations Database Mining	Financial Services Manager Pre-Owned Manager Sales Manager	12 Monthly Digital Campaigns for Mailing and Ads to send Offers	01/01/2023-31/12/2023 Monthly Check points Checkpoint

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Penetration and Leasing Terminations	Promotions and Sales Offer of Financial Services		and Financial Services Actions Weekly meetings between F&I, Preowned and New to review the Base of Terminations to offer financial product, insurance, guarantees, GAP, auto parts theft insurance and offer to purchase, trade and consignment of customer vehicles.  Involvement of F&I in Service & Preowned Clinic events, and F&I Fairs	15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
Fixed Op's Plan for the Promotion of F&I Products Financial Services (Warranty Extension, Auto Insurance, GAP, Auto Parts Theft Insurance)	Compensation plan for Fixed Op's for the sale of F&I products, warranty extension, insurance, GAP, auto parts theft insurance  AMIS Site to check cars on the service lane that have their insurance expired	Service Manager Pre-Owned Manager Sales Manager Service Consultants Financial Services Manager	Daily, weekly and monthly meetings, to review service appointments to identify opportunities in service appointments, to offer F&I Products (Warranty Extension, Auto Insurance, GAP, Auto Parts Theft Insurance)  Look for opportunities in the AMIS portal of expired insurance to offer them new insurance and F&I Additional products	01/01/2023-31/12/2023 Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024

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Monitoring and Review of F&I Revenue and Controllable Expenses	Openness, Transparency and Communication of Financial results and constant feedback between the administration department and F&I	F&I Manager Administrative manager	Review constantly the correct incentive payment from Porsche Financial Service for Finance Contracts and Insurance. Also constant monitoring of the FS' + Incentive Program. Control of Variable expenses, Commissions, Floor Plan, Advertising, monthly evaluation meetings, to check that it does not increase and if it does, that it has a justification	01/01/2023-31/12/2023 Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
F&I Measurement and Monitoring Plan	Implementation of measurement of indicators of the rolling average of sales of the F&I Products	F&I Manager	Increase Gross and Net profits, to Generate Benefits for the Company  Sense of Urgency, to see each customer, car and deal as an opportunity to generate additional income through F&I Products	01/01/2023-31/12/2023 Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
Implementation of Performance Indicators for F&I	Offer every customer a F&I Menu and Quotation for Credit,	F&I Manager Sales Manager	Being able to measure the lost opportunities of F&I Product sales	01/01/2023-31/12/2023

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Quotes, Evaluations, Authorizations	Leasing, Insurance and additional Products, evaluate our whole F&I Funnel how many quotes we made each month, how many where evaluated by Porsche Financial Services, and of those how many where authorized	Preowned Manager Sales Consultants	where an offer/quote was made and didn't end up in a signed contract.	Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
New Pay Plans focused on F&I Performance driven by Penetration and Contract Volume and Insurance Volume	Compensation Plan, constant review and monitoring of Sales Consultants and F&I Manager Performance 25% F&I Penetration or 1 contract (5 F&I Manager) per month, to earn a better commission percentage on Vehicle Gros Profit,+ 1 Stand Alone Insurance ( 3 F&I Manager)	General Manager Sales Manager Preowned Manager Financial Services Manager HR Manager	Drive F&I Penetration and F&I Contract Volume to increase revenue and profit from F&I Incentives generating benefits for the company and the team  Reduce floor plan expense by getting discount on floor plan rate for good F&I Performance	01/01/2023-31/12/2023 Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024
Internal Training & Reinforcement Academy Program and Workshops for F&I Products	Sales Meeting Rooms, Training Presentations, Videos, Material and Training Coaches, Monthly trainings and workshops for one topic/product per month	General Manager Sales Manager Preowned Manager Financial Services Manager HR Manager Sales Consultants	Increase knowledge and mastery of F&I Products to overcome costumer objections and increase F&I Products Sales and Penetration and avoid misunderstandings, delays and reworks	

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<p>Dedicated Exclusive F&amp;I Inventory and Allocation for new and used cars, that can be sold exclusively through Porsche Financial Services</p>	<p>Inventory Allocations</p>	<p>Preowned Manager Sales Manager F&amp;I Manager Marketing Manager Brand Rep</p>	<p>Reserved Preowned and new car inventory that for Porsche Financial Services Leasing and Porsche Today Terminations or that can be sold exclusively through PFS to increase F&amp;I Penetration, Contract Volume, Incentives and Floor Plan Discounts</p>	<p>01/01/2023-31/12/2023 Monthly Check points Checkpoint 15/01/2023 15/02/2023 15/03/2023 15/04/2023 15/05/2023 15/06/2023 15/07/2023 15/08/2023 15/09/2023 15/10/2023 15/11/2023 15/12/2023 15/01/2024</p>
<p>Development of dedicated and specific F&amp;I Products for the Brand and Market Situation together with the brand and Porsche Financial Services.</p> <p>Order Intake deals and plans to close F&amp;I contracts when the vehicle is ordered and that conditions can be respected throughout the whole waiting time</p>	<p>Monthly Meetings with Porsche Financial Services and the brand to review the current market situation, inventory level, competition to come out with attractive F&amp;I Deals and Plans that then can be successfully communicated with digital Marketing Solutions and Platforms.</p> <p>Special deals for order intake costumers when they configurate and spec their car when they place their order so that the F&amp;I contracts can be closed at that moment the order is placed and respected</p>	<p>F&amp;I Manager Sales Manager Preowned Manager Marketing Manager Brand Rep Finance Rep Marketing Rep</p>		

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As you work toward your goal, it's important to have interim check points with specific, measurable objectives so your team can hold themselves accountable. If everyone knows the goal and objectives, you don't have to spend your valuable time micromanaging.

Once you've accomplished your goal, added or adjusted policies, procedures, and behaviors, now what? How will you ensure you and your staff do not fall back into the previous habits that produced poor results? Be specific.

Once we reach the goal of monthly average F&I Penetration of 25%, 5 contracts per month, the idea will be to generate a new action plan to continue increasing it in the following 6 months, strengthening the necessary actions and adding new ones, measuring and monitoring the expected results in the Check Point meetings, to see how we are progressing towards the goals, if we are having success with the actions implemented and it is also worth trying and if any specific action did not work, then do not waste time doing it and focus on the one that did work.

Describe any planning or implementation meetings conducted as part of development of your plan.

Lyneth Torices, F&I Manager, and I were constantly meeting, to define the performance indicator on which we would base our F&I action plan, we decided on F&I Penetration and Contract Volume, and based on our current performance and where we are, we went and defined the check-in dates and performance objectives, and started planning the different actions and necessary resources, and sharing them it with the responsible people, as well as following up with Checkin In meetings on Check-In dates.

Sponsor Signature: \_\_\_\_\_