

# POWERFUL SOLUTIONS

For maximum F&I profitability

## Store Average Credit, Checklists, and Working Conditions

Rowing, often referred to as crew in the United States, is a competitive sport where teams as large as nine propel a sleek boat at unbelievable speed by working in precise unity. Lately, the cooperative efforts of some of the "crews" with which I have worked are more resemblant of opposing European soccer team fans during a riot. From sales managers sending deals back on 2008's with 76,000 miles worked on 72 months at 2.9% APR, to business managers who blow up at bewildered salespeople for missing documents all the while asking "where am I supposed to get this deal hung for this term and rate?". The desk is blaming the customers and the competitive nature of the business for this. Finance sees it as ineptitude on behalf of the desk and/or the salespeople addressing rate when they have no business doing so. And so it goes. Constant friction and damaged egos.

For the most part, everyone knows their job and simply needs a little focus, discipline, and direction. Check the egos at the door folks. We're on the same team!

Regarding the sales desk: best business practices indicate the usage of "store average credit" as currently the most sound desking method. Whether it be to shield the dealership from issues related to the Consumer Financial Protection Bureau or simply to take the guess-work off the table where rate and term are concerned, establishing an average number to use for calculating payments (in the realm of reality) won't cost you any deals. We all know the deals are subject to finance and rates/terms vary. Write the deal "subject to finance". This is step one of a two-step process. Only until and if the customer is in agreement with step two do we have a deal. The business office will not release the customer, if not taking delivery, without first checking with the sales desk.

Regarding the business office: brow beating your sales people over missing documents and constantly complaining isn't changing things. Create a checklist for the sales people and have them staple it to the inside of the deal jacket, if necessary. Most checklists currently in use on the outside of the deal jackets have items not related to the sales people and are, therefore, dismissed by many sales people as not applicable to them. Populate your checklist with items such as current driver's license, current insurance card, completed credit application, privacy notice, trade title, lien release, trade appraisal, completed buyer's order, incentive verification, Car Fax, used car packet, all parties signatures, any proprietary dealership documents, etc., etc. Manage the business office, stop saying it isn't your job, and be a mentor. Thank the salespeople for the opportunity. Make them want to help! Remember, if they were as good at attention to detail as you, they might occupy your chair instead.

Our internal customers (those with whom we work) are every bit as important as our external customers. We spend as much or more time with our co-workers as anyone and truly depend upon each other to make a living. Rowing in the same direction will certainly improve everyone's quality of life!



Give it a try.

Good luck and good selling!



Partnership + Performance = Profit