



-ACTION GUIDE -

The Pathway to Automotive Financial Services Success

Preparing the Automotive Financial Services Manager for Success

Phase 1

Introduction to Automotive Financial Services

This **ACTION GUIDE** belongs to: _____



Common FS Terms and Acronyms

- **ACV:** Actual Cash Value
- **Adjustment:** A Mistake
- **Advance:** The Dollar Amount the Lender will Finance
- **Book to Look:** The Ratio of Applications Sent and Contracted by the Lender
- **Buy Rate:** The Interest Rate Charged by the Lender
- **Callback:** A Decision by the Lender
- **Captive:** The Manufacturer's Finance Arm
- **Chargeback:** A Cancellation
- **CIT:** Contracts in Transit
- **Conditioned:** An Adverse Call Back from the Lender
- **Dealer Participation:** The amount of **Markup** the Dealer may Charge the Customer
- **DTI:** Debt to Income Ratio
- **Hard Add:** A Product or Service the Lender will Advance on
- **Held Offering:** A Contract Being Held for Funding by the Lender
- **Line 5 Call:** A Max Advance Callback
- **LTV:** Loan to Value
- **Markup:** The Difference between the Buy Rate and the Contract Rate
- **Max Advance:** The Maximum Amount the Lender will Advance
- **POI:** Proof of Income
- **POR:** Proof of Residence
- **PPR:** Products per Retail
- **PRU:** Profit per Retail Unit
- **PTI:** Payment to Income Ratio
- **PVR:** Profit per Retail Vehicle
- **Rehash:** Contact with the Lender to Get an Approval
- **Recourse:** The Responsibility the Dealer has with the RIC Performance
- **RIC:** Retail Installment Contract
- **Soft Add:** A Product or Service the Lender Will Not Advance on
- **Stipps:** Stipulations Required for Funding a Deal
- **T-O:** Turn Over or F&I Introduction

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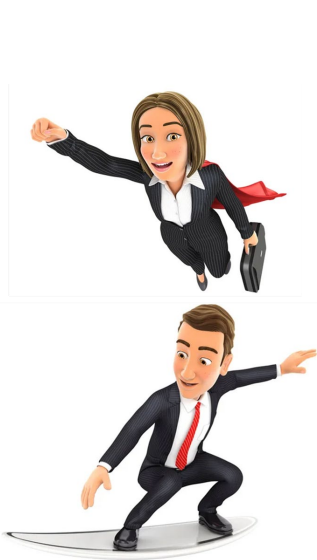
The Financial Services Manager

The Financial Services Manager must be a person of vision and ambition, a speaker, a doer and a go-getter. Dynamic, aggressive, professional, decisive, forceful, courageous, confident, persistent, spirited, enthusiastic, competitive, polished, determined, dedicated and creative are a few words that begin to scratch the descriptive surface of this winner.

This individual must be able to work all day and all night under great pressure while appearing fresh the next morning. Of course, this person must be a sales promotion expert, a good communicator, an excellent correspondent, attend all sales and management meetings as well as sales functions and events. But an Financial Services Manager must accomplish these things without missing a beat of business rhythm, be up and ready for the next "T.O.", get apps called in instantly and get them funded quickly. He must be a detail fanatic and be able to answer the telephone in the middle of all trial close attempts.

A Financial Services Manager must, of course, love commission income, constantly hone his/her selling, product knowledge, ethics and compliance skills as well as be an expert driver, talker, dancer, bridge player, poker hound, diplomat, golfer, financier, capitalist and an authority on mobile homes, psychology, dogs, horses, fish, the earth moon and sun.

Beyond that, the Financial Services Manager is just an ordinary human being.

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- Adhere to all Dealership F&I policies and procedures
- Adhere to all state and federal laws and regulations as they apply to F&I
- Maintain an efficient workflow of all finance office processes
- Adhere to Dealership's F&I Interview/Menu Selling Process
- Contract deals
- Maintain proper Lender mix
- Adhere to Approved Product and Product Pricing Guidelines
- Maximize all insurance product profits and penetration
- Log all deliveries accurately and in a timely manner
- Maintain Chargebacks at an acceptable level
- Verify lien payoff balances and automotive insurance policies
- Verify all customer signatures
- Copy all non-prime documents to maintain in the Deal Jacket
- Verify customer vehicle deposit receipts in house at delivery
- Assist the sales team in structuring deals

5 Primary Responsibilities of an FS Manager

- 1) **Deliver the Vehicle**
- 2) **Protect the Dealer's Assets**
- 3) **Manage Cash and Contracts in Transit**
- 4) **Increase Customer Satisfaction**
- 5) **Make Additional Profit**



There are three types of Managers

- 1) Those who make things happen.
- 2) those who watch things happen.
- 3) Those who wonder what happened.

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"It's the little things that make the big things possible."

A Little + A Little + A Little = A Lot!

“Maximizing your potential and profit is determined by your willingness to step outside your comfort zone and modify your approach by applying up to date processes, procedures and techniques that grab and hold the customer’s attention and interest throughout the sales process.”



Characteristics of the Successful Financial Services Manager:

- **Do It Now Attitude**
- **Makes things happen by participating throughout the sales cycle**
 - *Assist in Manufacturing deals*
 - *Assist in Structuring Deals*
 - *Assist in Closing Deals*
- **Develops great product knowledge**
- **Always displays enthusiasm and provides motivation**
- **Listens with their eyes and ears**
- **Does not impose their own beliefs on others**
- **Is a quick thinker able to manage multiple task**
- **Is approachable, likeable, credible and empathetic**

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Customers who like the best of both worlds. They're happy to do the traditional steps they love in person but would prefer to take the steps they hate online.

Finance Manager Access to the Dealerships CRM Tool is Indispensable for Managing Maximizing Opportunities in Today's Digitally Charged Environment.



GET ACCESS

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