

## Where do good F&I Managers come from?

by John Tabar

For most dealerships the answer is, other dealerships. Unfortunately, for these free agents' competencies seldom develop, and bad habits seldom disappear on the drive over from their old dealership to the new one. Some work out, many do not.

Some dealerships have taken a different path and strive to develop a bench. They see it as way to recruit ahead of need. These dealers understand the cost of being understaffed and how that cost is multiplied significantly if they are understaffed in F&I.

Dealers who choose this route recognize that good people are hard to find and if you have one, they are worth the effort to keep onboard. This process shows key talent that they are valued, and that the dealership is willing to invest in their professional development and their future. A smart strategy for retaining talented employees in this low unemployment economy.

For the dealership it makes sense; they already know the F&I candidate's level of sales ability. They know the level of integrity and work ethic the candidate may have, and hopefully they most likely have seen some leadership skills along the way.

Developing candidates for F&I from current staff definitely has an upside and it comes with some challenges as well. The key to this strategy is recruiting and training ahead of need. If an F&I candidate is thrown into the role with limited understanding of technology, product and process it is rare to have good outcome.



So, how do you develop someone to become an F&I manager? To do it well you need a plan and some patience.

When thinking about training a sales person to become an F&I manager we should start with competencies. Identify the competencies you would like your future F&I Manager to possess and compare those to the competencies of your candidate. Look for competencies that overlap. This will give you a better and more rounded evaluation of what competencies are present in the candidate and those that need to be developed.

This evaluation process will take some time, but it is well worth the investment. All too often we promote a salesperson into F&I not knowing if they have all the competencies needed to succeed.

One competency that comes to mind is their administrative ability and their attention to detail. Traditionally the good salesperson's Achilles' heel.

It is an expensive lesson for the dealer to discover that their star salesperson who was recently promoted into F&I is terrible at paperwork and possesses only a minimum of technical acumen. The CITs pile up, pressure increases, and that awesome salesperson has become a below average F&I Manager struggling to keep up. Unfortunately, in time either the struggling F&I Manager decides, or the dealer

decides that it was a mistake to move this person into F&I. The real tragedy in this scenario is this person usually doesn't assimilate back into the sales department and goes elsewhere.

Part of any F&I bench development process should begin with assessment and then continue with a heavy dose of administration and proficiency evaluation and development in all the systems they will need to use daily.

This can be done congruently with their sales responsibilities which is important because you want them to keep focused on selling and if it isn't a good fit in F&I, stay selling for you. Another benefit from this method is that they will see the less sales focused side to F&I that is critical to lasting success in the role. This will sometimes result in the candidate disqualifying themselves from the position once they have a better understanding of the weight of administrative responsibility that comes with the role.

This approach ensures the mastery of the administrative side to the role prior to the F&I person shifting their focus to menu disclosures, product enrollment and the customer.

On-boarding an internal F&I Manager in this way makes the timeline manageable, ensures the ability to attend a F&I certification course, mastery of the technology and product proficiency. It produces a candidate that doesn't have the additional stress of uncertainty around product, technology and process compliance and increases their confidence when they finally are in front of a customer for the first time.

If you haven't had good luck in hiring F&I Managers from other dealerships you may want to consider developing a bench for F&I Managers. With a plan and some patience, you may find you have a "good one" already working for you.