



MPM Finance

Improving Market Penetration

MPM Finance is a leading independent multi-finance company in Indonesia, offering loans to individuals and corporations for the purchase of motor vehicles. It is part of the MPM Group which retails, distributes and rents vehicles as well as manufacturing auto consumables.



“To be updated”

- XYZ

Key Results

200% increase in Sales Productivity for the branches within scope

USD4.5m reduction in uncollected payments within the first two months of implementation

ANALYSIS

Renoir was engaged to conduct an analysis in several of MPM Finance branches, looking into the branch operating model, Sales and Collection productivity levels and the effectiveness of current processes and control system. Some of the main findings were:

- There was not one ‘MPM Finance branch operating model’, the branches were managed differently with locally developed management tools.
- The sales and collection funnel was not measured and managed proactively.
- There was very little visibility on the activities performed at branch level.

The Management Control Systems in the branches were not fit for purpose; poor planning, lack of follow-up and control and reporting focused on outcome and not on how to most efficiently and effectively achieve the outcome.

PROJECT APPROACH

As a result of these findings, MPM Finance commenced a 20-week project in partnership with Renoir. Project ‘Force Awakens’ was created to facilitate the endeavour with the following objectives:

- Define a model for optimum branch operations.
- Install measurement and monitoring on daily sales and collection activities.
- Design and install Management Control Systems with planning and review mechanisms based on daily operational indicators and their associated KPIs.
- Instill the behavioral changes that lead to sustainability of the above.

The initial 4-week Renoir Focus Process® phase focused on the identification and qualification of opportunities for an optimum branch model that would achieve the objectives. Following the acceptance of the ‘New Way of Working’, the combined MPM-Renoir project team implemented the changes in a pilot branch before they were consequently rolled out into the 29 largest MPM Finance branches in three short sprints of one month each.

IMPLEMENTATION

In conjunction with the development and implementation of the new branch model, branch staff and managers were trained in the New Way of Working in order to more effectively conduct their day-to-day activities. In addition, they were coached in continuous improvement practices to ensure that each branch continues to develop and enhance their marketing and collection activities.

One of the tools introduced was the Daily Visit Plan which was utilized to enable each supervisor to plan their team visits. Short Interval Control calls are conducted several times in a day to ensure the daily plan is attained whilst Daily Review Meetings also enable supervisors to review operational issues with their

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team, utilize the time to coach them and agree solutions. All unresolved issues are then escalated to the respective HQ departments in weekly review meetings to ensure faster issue resolution.

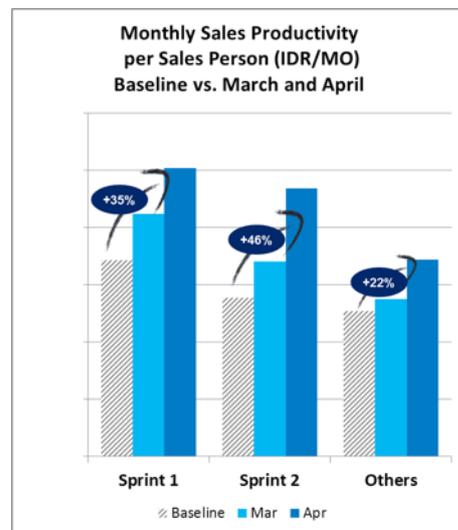
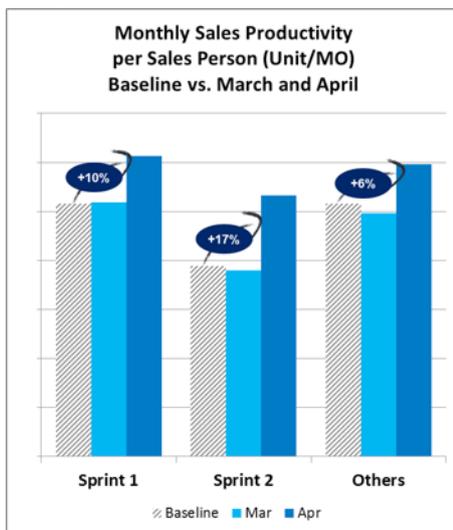
Of key importance was that these changes were to be sustainable, and systematic and regular audits were developed and implemented. These ensure that the new structure and new Way of Working are understood and that all staff are thus able to increase their productivity.

RESULTS

QUANTITATIVE:

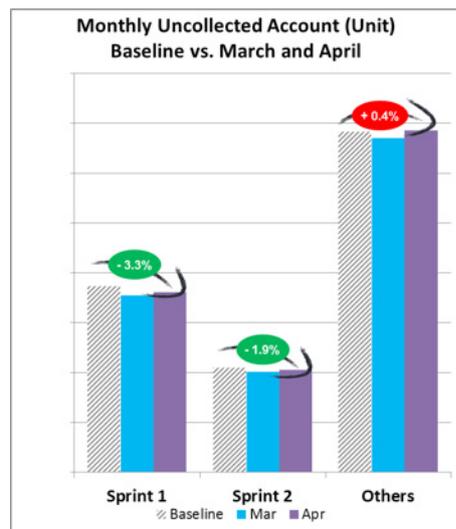
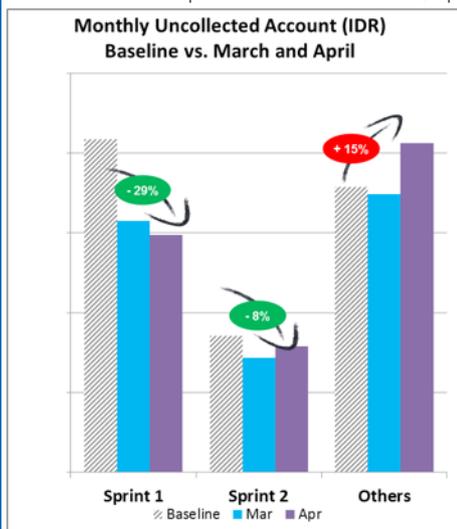
Sales Productivity on implemented branches improved by 200% compared to the market growth:

With the systematic prioritization of daily visits and monitoring, the uncollected payments at the branches within scope were reduced in both monetary amount and number of accounts. These branches are now also collecting more accounts with higher monetary value.



BEHAVIOURS:

As well as the quantitative benefits, qualitative benefits were achieved:



- Increase in behavioural leadership of Branch Managers and Supervisors through Daily Review Meetings and Short Interval Controls.
- Better communication between branch and HQ department through weekly review meetings and action logs.

In summary, MPM now has a more structured way of working for both Sales Personnel and Collectors and has a firm foundation for expanding market share in the financial services sector.

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THE RENOIR GROUP

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