

Variable Operations

Learn how to analyze a dealership's new- and used-vehicle departments through the financial statement and the dealership's DMS reports. Information covered includes the importance of inventory turn, floorplan expense and **gross retention**; the impact of aged inventory on **departmental profitability**; and control of commission and advertising expenses. Also emphasized: the relationship between new- and used-vehicle operations.

Note: For dealer groups, these courses can be divided into stand-alone two-day or three-day new and used operations

FOUNDATIONS OF VARIABLE OPERATIONS

TWO-DAY COURSE



RECOMMENDED PREREQUISITE

Through a Dealer's Eyes on What's Important on the Financial Statement



LEARNING OBJECTIVES

- Determine the dealership's stated vision, from its actual practices through creative evaluation of sales units, sales dollars and gross.
- Calculate the quick dealership analysis and compare it with NADA profiles in order to determine areas of opportunity for the dealership.
- Identify three methods to increase profit in order to determine opportunities for the dealership.
- Interpret the effects of vehicle inventory management in order to consult with the dealer to increase overall dealership profitability.
- Recognize the controllable variable expenses relative to gross profit earned for improving expense control.
- Analyze sales department pay plans to recognize the motivational focus of each department employee.

ADVANCED VARIABLE OPERATIONS

TWO-DAY COURSE



LEARNING OBJECTIVES

- Compare and contrast the differences between negotiating techniques to identify areas for improvement.
- Explain the customer-retention impact of new-vehicle leasing to sales managers and sales consultants to get buy-in.
- Analyze a dealership's inventory, floorplan activity and stocking/selling trends to uncover the margin of inefficiency.
- Assemble a checklist of necessary tracking information, which should be recorded for showroom and virtual traffic, to evaluate a dealership's tracking techniques.
- Determine the sales opportunity in used vehicles relative to the number of vehicles wholesaled monthly.
- Evaluate and recommend improvements of the used-vehicle operation through a comprehensive case study.
- Differentiate used-vehicle pricing and stocking strategies and their effect on the efficient market in order to recommend improvements.

