



Car Dealership Management Course: Departmental P&L, Stock Turn and Absorption



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Introduction:

Car Dealership Management, covering departmental P&L, stock turn and absorption, is a 5-day course for dealership leadership and department management teams that ends with a Dealership Performance Review and Twelve-Month Improvement Plan for a case dealer. Dealerships lose profit when new and used stock ages on floor plan, used vehicles wait too long in reconditioning, finance and insurance income goes unmeasured and workshop and parts gross fails to cover fixed overheads. Nominees already run a dealership or one of its departments and work through modelling builds based on departmental operating data. CoreConcept Training Center delivers this car dealership management course.

Course Objectives:

- Interpret a departmental dealership P&L and the dealer financial statement to locate where gross profit is earned and where expenses and floor plan interest consume it
- Plan new vehicle orders and used vehicle sourcing against days' supply, model mix and stock turn targets
- Set used vehicle appraisal, reconditioning and market-based pricing rules that protect gross profit and shorten time to sale
- Measure showroom conversion, gross per vehicle retailed and F&I penetration and direct sales managers on the gaps found
- Analyse service absorption, effective labour rate and parts inventory return to raise fixed operations contribution
- Build a Dealership Performance Review and Twelve-Month Improvement Plan that covers retention, manufacturer standards and digital retailing

Target Audience:

- Dealership leadership teams accountable for the overall profit, capital and manufacturer relationship of one or more sites
 - New vehicle sales management teams responsible for order planning, showroom conversion and sales staff results
 - Used vehicle management teams responsible for sourcing, appraisal, reconditioning and retail pricing
 - Finance and insurance management teams responsible for product penetration and deal file quality
 - Fixed operations management teams responsible for service department productivity and parts inventory
 - Dealership finance and controlling teams that prepare the monthly operating report and departmental budgets
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Course Outline:

Day 1: Dealership Business Model and Departmental Financial Statement

- Dealership Profit Centres Map Across Vehicle Sales and Fixed Operations
- Departmental P&L Structure From Gross Profit to Net Profit
- Dealer Financial Statement Composite and Expense Ratio Benchmarks
- Floor Plan Interest Cost and Working Capital Exposure
- Current-State Dealership Baseline Using Monthly Operating Reports

Day 2: Vehicle Stock Planning, Used Vehicle Sourcing and Pricing Models

- New Vehicle Order Bank and Days' Supply Planning
- Model Mix Forecasting Against Manufacturer Allocation and Targets
- Used Vehicle Sourcing Through Trade-In, Auction and Direct Purchase
- Trade-In Appraisal Checklist and Reconditioning Cost Estimate
- Market-Based Used Vehicle Pricing and Stock Turn Targets

Day 3: Showroom Conversion, F&I Products and Fixed Operations Productivity

- Lead-to-Sale Funnel With Appointment, Show and Close Ratios
- Sales Desk Management and Gross Profit per Vehicle Retailed
- F&I Penetration and Product per Retail Unit Tracking
- Service Absorption Rate and Effective Labour Rate Analysis
- Parts Fill Rate, Obsolescence and Gross Return on Inventory

Day 4: Aged Stock, Retention, Manufacturer Standards and Digital Retailing

- Aged Stock Review and Reconditioning Cycle Time Control
- Customer Retention Cohort Analysis and CRM Contact Strategy
- Manufacturer Standards Audit and Variable Incentive Scheme Modelling
- Digital Retailing Journey From Online Configurator to Handover
- Dealership Fraud Indicators and Deal File Control Checklist

Day 5: Modelling Build: Dealership Performance Review and Improvement Plan for a Case Dealer

- Case Dealer Departmental P&L and KPI Diagnostic
 - Vehicle Inventory Rebalancing and Stock Turn Scenario Model
 - Fixed Operations Absorption Improvement Scenario Build
 - Twelve-Month Improvement Plan With Owners and Monthly Targets
 - Dealership Performance Review Completion and Dealer Principal Defence
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Skills You Will Gain:

- Departmental P&L Analysis
- Vehicle Stock Planning
- Used Vehicle Appraisal and Pricing
- Showroom Conversion Management
- F&I Performance Measurement
- Service Absorption Analysis
- Parts Inventory Control
- Dealer Incentive Modelling

Why Attend This Course:

- Deliver a Dealership Performance Review and Twelve-Month Improvement Plan for a case dealer to the dealer principal and department heads for approval
- Decide which units to order, which used vehicles to wholesale and which price moves to make, using days' supply and stock turn evidence
- Avoid floor plan interest on aged stock, missed incentive payments and fixed overheads left uncovered by service and parts gross
- Share departmental P&L templates, stock ageing reports, F&I trackers and absorption calculators with dealership colleagues

Conclusion:

Back at work, the participant gives the dealer principal and the board a Dealership Performance Review and Twelve-Month Improvement Plan that sets departmental gross and expense targets, stock turn and days' supply limits, F&I penetration goals, an absorption target for fixed operations and a named owner for each action. Management uses it to approve stock investment, staffing and pricing policy, while department heads use its monthly targets to steer their teams. After the first full quarter under the plan, the unit should review departmental P&L variances, aged stock, retention and absorption against target.

Frequently Asked Questions FAQ:

What should participants know before a car dealership management course?

Participants should already manage a dealership or one of its departments and be able to read a monthly operating report. Bringing an extract of their own departmental P&L, stock ageing report or service figures helps them apply the modelling builds to their own site.

How does car dealership management differ from a retail selling skills or after-sales service course?

It treats the whole dealership as a business: departmental P&L, vehicle stock investment, F&I income, fixed operations contribution, retention and incentives. Selling skills courses train showroom conversations, and after-sales courses design warranty, field service and workshop processes in depth.

Why does car dealership management track the service absorption rate?

The absorption rate shows how much of the dealership's fixed overheads are covered by service and parts gross profit. A higher rate means the business depends less on volatile vehicle sales margins, so leaders use it to judge resilience and set fixed operations targets.

What do participants take back from the car dealership management course?

Participants take back a Dealership Performance Review and Twelve-Month Improvement Plan for a case dealer, with a departmental P&L diagnostic, a stock turn scenario model, an absorption improvement scenario and monthly targets with owners that they can adapt to their own dealership.