

# Driven

NADA MANAGEMENT SERIES

BM35



## Dealer/General Manager Planning Calendars



NATIONAL  
AUTOMOBILE  
DEALERS  
ASSOCIATION

The National Automobile Dealers Association (NADA) has prepared this management guide to assist its dealer members in being as efficient as possible in the operation of their dealerships. The presentation of this information is not intended to encourage concerted action among competitors or any other action on the part of dealers that would in any manner fix or stabilize the price or any element of the price of any good or service.

# Dealer/General Manager Planning Calendars

This tool serves to organize all of the various daily, weekly, and monthly dealership tasks by department. These planning calendars, designed for dealers and general managers, have been updated in consultation with manufacturers, successful dealers, and Dealer Academy instructors. NADA 20 Group members continually apply this tool to tracking tasks and responsibilities, examining work procedures, and focusing on needed improvements.

The three calendars on the following pages divide tasks by frequency—daily, weekly, or monthly—and department (office, sales, service, parts, and general). Tasks are interconnected; completing a daily goal helps accomplish related weekly and monthly goals.

You are invited to copy the three calendars and modify them to meet the specific needs of your dealership. We hope you will find them effective in developing a system for routine operations.

## Dealer/General Manager Planning Calendars: DAILY

### GENERAL

- Dealers: open and review all mail.
- Review/investigate any unsatisfactory CSI responses.
- Walk through all dealership departments and facilities.
  - Greet customers and dealership staff.
  - Note order and cleanliness of facilities, professionalism and appearance of personnel, general adherence to dealership systems and processes.
- Address urgent personnel issues.
- Conduct managers meetings.
- Check the fuel level of each vehicle driven in the previous day.

### ACCOUNTING

- Review Daily Operating Control (DOC).
- Review cash position.
- Review expense control.
- Review all accounts receivable.
  - Follow up on delinquent accounts.
- Review all contracts-in-transit.
- Review lists of insufficient funds and stop payment checks by department.
- Compare bank with dealership bank balance figures; verify receipt of all interest earned on sweep account.
- Review progress toward daily financial objective throughout the day.
- Review vehicle payoffs (actual vs. estimate) and days from delivery to payoff.
- Run an exception report.

### VEHICLE SALES

- Walk new-vehicle stock; check demos; check aging by model, dollars, days.
- Walk used-vehicle inventory, review days in inventory, models, costs, condition, purchases.
- Review previous day's new and used unit sales and grosses.
- Review traffic count, phone inquiries vs. appointments, Internet activity logs.
- Review previous day's lost deals and appraisals.
- Review deals pending finance approval.
- Review F&I product penetration, grosses.
- Compare unit sales on the DOC against actual deliveries.
- Check on reconditioned vehicles.

### SERVICE

- For previous day:
  - Compare total hours sold, gross profit to goals.
  - Compare hours produced, gross generated per service advisor to goals.
  - Compare hours, gross per technician to goals.
- Review calculations:
  - Hours produced as percentage available hours.
  - Gross profit percentages by labor category.
  - Effective Labor Rate (customer-pay).
- Review Repair Orders for accurate pricing, time estimates, etc.; keep track of holdovers and rental cars out.
- Review internal Repair Orders, especially open Repair Orders.
- Review adjustments.
- Review rejected warranty claims.
- Spot-check for compliance with manufacturer standards.

### PARTS

- For previous day:
  - Review lost sales.
  - Review parts price overrides.
  - Review previous day's sales against goals.
  - Compare sales per employee against daily forecast.
  - Review wholesale sales per wholesale counter person.
  - Review counter tickets for costing, incentives, etc.
  - Review parts sales against daily DOC.
  - Review grosses against daily DOC.
- Keep a perpetual inventory—check parts bins against an inventory management system.
- Review parts fill rate—make sure you're carrying the right mix of parts.
  - Check service department fill rate.

## Dealer/General Manager Planning Calendars: WEEKLY

### GENERAL

- Reconcile forecast with new rebates and incentives, economic trends, inventories.
- Review sales trend figures for traffic control, closing ratios, gross profits.
- Review customer satisfaction plan.
- Review personnel status changes—hires, terminations, warnings, pay changes—and commissioned technicians and salespeople who did not meet draw/guarantees.
- Distribute staff paychecks.
- Verify that all vehicle displays are rotated.
- Analyze advertising effectiveness by medium and results; review and/or adjust advertising plans.
- Examine all-dealership CSI reports.

### ACCOUNTING

- Review week's financial data, including:
  - Bank balances.
  - Collected funds.
  - Offset accounts.
  - Factory past-due receivables (incentive, rebate).
  - Vehicle sales, service (including warranty), and parts past-due receivables.
  - Contracts-in-transit past-due balances.
  - Finance company chargebacks.
  - Past-due extended service contract bills.
  - Rejected warranty claims.
  - Policy work charges.
  - Incentive checks.
  - Expenses.
- Take action, challenge expense items as needed.
- Check accuracy, prompt payment floor plan bills.
- Review all accounts receivable.

### VEHICLE SALES

- Analyze trends: retail units delivered, grosses per unit, variance, leads.
  - Check buyer follow-up satisfaction, prospects.
  - Check volume, gross, commissions/salesperson.
  - Review random 25 deals, discuss lost deals with sales manager.

- Review actions to move aged inventory, e.g., used vehicles 30+ days in stock. Compare inventory values with current auction prices.
- Analyze used-vehicles wholesaled—to whom, purchase or trade, days in inventory, profit/loss.
- Review week's wholesale plan with managers.
- Review factory incentive receivables.
- Conduct sales and service meetings.
- Review advertisements and specials.
- Perform a competitive analysis of used-vehicle pricing.

### SERVICE

- Review service advisor productivity: hours sold, customer-pay vs. warranty ROs, policy charges by reason, advisor.
- Review technician productivity, efficiency, proficiency.
- Analyze labor hours by category (customer-pay, internal, warranty).
- Compare Effective Labor Rate to posted labor rate.
- Test-drive a used-vehicle for condition; check ROs written on it, compare book value to actual.
- Review technicians' pay against daily time cards, job tickets, Repair Order flags. Check idle time, overtime, tardiness, etc.
- Check write-up vehicle condition, equipment, estimated reconditioning.

### PARTS

- Review inventory of special order parts—quantity, days in stock.
- Check on critical parts orders.
- Review level of service to service department; compare to weekly average.
- Review cores inventory schedule—dirty vs. clean—on hand, in shipment.
- Review parts accounts receivable.



## Dealer/General Manager Planning Calendars: MONTHLY

### GENERAL

- Review financial results against forecast\* and operating guidelines.
- Study trend reports YTD and compare to corresponding period last year. Review sales, grosses, expenses, other income and deductions.
- Forecast next month by department.
- Verify staffing adequacy.
- Review productivity (sales, gross, expenses) per employee.\*
- Review compensation and incentive plans against productivity.\*
- Distribute staff paychecks.
- Check document accountability, voided documents, lost document report.
- Attend one or more used-vehicle auctions.
- Review factory and equipment requirements.
- Review staff access to the DMS.

\* See departmental columns for specifics.

### ACCOUNTING

- Review, verify financial statement, including list of fixed assets acquired during month, finance reserve against memo advices, finance payoffs on units sold.
  - Scrutinize phone bills, postage meter usage, other expenses as needed.
  - Review purchases, prepaid expenses.
  - Check bad debts list, other write-offs and reasons for them.
  - Identify excess (frozen) assets.
  - Verify accuracy of personnel count.
  - Justify all month-to-date expenses.
- Check bank statement reconciliation, review checks and endorsements, petty cash vouchers, cash refund tickets, employees' notes and accounts.
- Check payroll analysis by department, including overtime, change in pay status.
- Review accounts receivable status.

### VEHICLE SALES

- Compare results, forecast:
  - Variance in unit, gross per unit, gross, expenses
  - F&I chargebacks, 90-day payoffs, new income
- Review sales, gross production per producer (sales and F&I).
- Review compensation all producers. Align incentives with goals.
- Review leases: matured, new, purchases, maturing 60 days. Give 60-day list to used-vehicle manager.
- Review cross-sell reports.
- Wholesale over-aged vehicles.
- Review and update the dealership's advertising plan.

- Physically check new and used-vehicle inventory against inventory records.
  - Review new-unit mix by model line: days' supply, in-transit, 90+ days.
  - Review days' supply used units; number, costs of used-vehicles 60+ days; used inventory compared to 60-day used sales.
  - Study source data used-vehicles (retail, wholesale gross per unit).

### SERVICE

- Compare results, forecast:
  - Variance in sales (by labor type), gross, fixed expense
- Review labor sales, gross production by service advisor, technician.
- Check effective labor rate, effective labor cost.
- Review pay, incentives per service advisor, technician.
- Check charges to unapplied labor or adjustment to cost of labor sales.
- Review prepaids.
- Review all free service for authorization, customer satisfaction.
- Review each technician's comebacks.
- Review write-offs of materials and fluids.
- Check labor in process, sublet account.
- Compare inside, outside reconditioning costs.
- Inspect service equipment for maintenance.
- Check tech work areas.
- Perform a competitive analysis of service specials.

### PARTS

- Check results vs. forecast:
  - Variance in sales, gross, fixed expense
- Review retail/wholesale sales, gross by employee.
- Review parts report, general ledger for unexplained variance.
- Review trends: inventory aging; lost sales; fast-moving parts; parts valued \$100+; true, gross turns
- Compare returns and unused allowance.
- Check special-order parts for use, returns, dollar level vs. last month.
- Review month's supply, stocking criteria. Challenge list of outside purchases, parts in stock six months with no activity.
- Check available purged parts restored to system.
- Check parts storage.
- Check 25 parts on inventory list vs. bin count.
- Review incentives for next month.
- Add your monthly reconciliation/general ledger to the parts management report.

## Acknowledgments

---

This guide was written by:

Patrick Fulton  
NADA Dealership Operations



[nada.org](http://nada.org)

© NADA 2010. All rights reserved.