



5 reasons you should own a dealer management system

1 Accurate record-keeping and instant access to information.

While every dealer management system provider will try to sell you on the features of their product, the primary reason for owning a software package is record-keeping. The goal of this meticulous data mining isn't simply storing accurate data about every transaction, but having the ability to quickly access the information in a meaningful format that will help you make informed business decisions. Pre-formatted and custom-built performance reports help you make purchasing, personnel and growth decisions based on historical data entered by your employees.

2 Automation of dealership processes to enhance efficiency and increase profitability.

Dealers may argue that hand-writing a service order is faster, but how quickly could the owner then recall that customer's service history over the life of the unit? Or what if that same job, like an oil change, is requested 10 times daily? Computers automate dealership processes, and a quality system will also integrate processes throughout each dealership department, reducing paperwork and eliminating double-entry. By decreasing the number of manual processes, you reduce the margin for error and save money.

For example, let's say you had a long line of customers waiting to check out. Rather than manually entering each part number, software systems would use a bar code scanner to read part numbers. While adding each item to the invoice, it is simultaneously being removed from inventory, and once a part hits a minimum quantity, the system will automatically add the part to a suggested order list that can be reviewed later. When you drop in the customer's name, a notice pops up reminding you that a special order the customer requested is in. You add it to the invoice and send a satisfied customer out the door. This customer is pleased with your efficiency and certain to return. Automated systems also make your sales process more efficient. A good dealership management system will allow you to quickly create and change a sales deal to find a payment option that fits your customer's budget. Sure beats fumbling with a calculator and paperwork.

3 Inventory management and electronic supplier/partner communications.

Managing quantities of more than 100,000 parts, accessories, and unit components would be nearly impossible without software. Prior to computerization, special orders and stock rooms filled with obsolete parts were the norm. Integrated software eliminates all human errors, like forgetting to write down that you took the last filter for an oil change. Parts are automatically deducted from inventory when sold to a customer or to the service department.

In addition, dealers can use links from their dealer management systems to electronically communicate with suppliers about warranty claims and parts orders. Submitting a purchase order directly from a dealer management system eliminates human errors and helps you receive your parts even more quickly.

4 Remote management of your dealership—and the freedom to enjoy life.

It's no secret that most dealers are also enthusiasts. They enjoy travel as much as their customers. Their business' success is important, but who wants to sacrifice quality of life? Many software programs will free you from the confines of the dealership. With a laptop, an Internet connection and the right software package, you can log into your system remotely to watch business transactions or run reports. Every process that can be completed in the shop's office can be done remotely. So you can be confident that your business is being run correctly while you're out enjoying other pursuits, or simply working at the shop's second location.

5 Control of employee access to sensitive or confidential dealership information.

With numerous employees, high turnover rates, and hundreds of transactions each day, owners need to keep a close eye on their margins and profits. Management software helps dealers keep close tabs on their business and employees. Just as you might lock payroll files in an office cabinet or safe, specialized software enables an owner to lock employees out of specific functions based on their abilities. The level of security sophistication varies with each system; some only allow you to lock employees out of entire sections like accounting. Others provide security on a task-by-task basis. For example, you could lock your bookkeeper out of payroll or a cashier out of parts ordering or receiving. Plus, since each employee has to log in and out of the system, you can track actual hours worked and identify who cashiered each transaction.