



How Controlling Can Coordinate Strategic Management at Car Dealerships

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Abstract: This article describes a strategic management approach that car dealerships can successfully implement with internal resources. The article departs from the premise that there still is no central organizing paradigm for strategic management. Strategic management is understood as a discipline with diverse streams that highlight different aspects of reality that, taken together, explain a part of what strategic management in practice is. Therefore, this article is based on the process-oriented model of Al-Laham et al (2017) and the professional and academic experience of the author. The outcome of this article is that controlling is highly qualified to coordinate strategic management at car dealerships. However, car dealerships tend to assign strategic management tasks to external consultants. As a result, strategic plans are often not implemented. The value of this article is to provide a management approach for car dealerships to coordinate strategic management with internal resources and keep a tight grip on strategy implementation.

Keywords: Controlling, Controllers, Controlling Department, Strategic Management, Strategic Management Approach, Strategy Process, Car Dealerships

1. Introduction

The predominant objective of enterprises is achieving long-term success to secure survival (Al-Laham, 2017). However, many German enterprises struggle to achieve this objective as every seventh company filed for deregistration in 2021 (Statistisches Bundesamt, 2021). In automotive retail, the number of independent car dealerships in Germany went down from 7.800 in 2014 to 6.800 in 2020. Continuous market consolidation is expected to drive this number down to 3,900 until 2030 (Autohaus, 2023; Baeuchle, 2023). Therefore, it is crucial for German car dealerships to adopt strategies that ensure survival.

However, many car dealerships are focused on operational performance and lack strategic management resources and processes. Car dealerships usually assign strategic management tasks to external consultancies that apply strategic management approaches developed for other industries for Original Equipment Manufacturers (OEMs) such as Mercedes-Benz or BMW. As a result, sophisticated management approaches often do not fit the needs of individual car dealerships, nor do they connect with down-to-earth and hands-on mentalities of car dealership management and staff. Strategies are planned but their implementation often fizzles out after consultants have stepped out of the company.

This article describes a management approach for strategic management at car dealerships that can successfully be implemented with internal resources. A crucial success factor is that the board of directors assigns responsibility for coordinating the strategy process to a competent internal manager. This responsibility includes coordination of methods, timeline, work packages and meetings as well as documentation and presentation of results during all

phases of the strategy process (see The first step is to define the strategic objectives of the company by defining and formulating the business policy. The term “business policy” is used a synonym for “business philosophy” and defines the relation among the company and its stakeholders, such as customers, employees, state, suppliers, etc. It serves as the basis for planning strategic objectives and selecting specific strategies in all subsequent phases of the strategy process. When decisions need to be taken under uncertain conditions, the business philosophy can serve as a guiding star as a decision for a specific measure should only be taken when it fits the business philosophy. Its core elements are the mission of the company, its ultimate objectives, i.e. its vision and its values towards its shareholders. The business policy is documented in a so-called “Mission Statement”.

The second step is to analyse the business environment and the company itself in order to arrive at a strategic forecast. The third step is to derive and formulate a growth, downsizing or stabilising strategy for the whole enterprise, its business units and/or functions from the insights of the strategic analysis. The fourth step is to execute measures and projects to implement the selected strategy and to link strategy to functional short-term planning and to financial budgets. Finally, controlling the success of strategy implementation keeps the implementation process on track and generates insights for subsequent strategic processes.

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The first chapter of this article introduces the topic, objective, theoretical background and describes the structure of the article.

The second chapter describes a strategic management framework for car dealerships. This is done by referring to a fictitious car dealership called Max Motors Ltd. (in the following: Max Motors). Max Motors has its roots in 1902 when it signed a car dealership contract with Oldsmobile of Detroit. Since then, Max Motors has continuously changed its brand portfolio. In 1920, Max Motors signed a dealership contract with Mercedes-Benz. By 2018, Max Motors had app. 1.200 employees and was one of one of Germany’s biggest 10 car dealerships. Facing a continued trend towards consolidation, Max Motors decided in 2018 to review its corporate strategy and derive measures to ensure the survival of the company in a challenging market environment.

Table 1). Some of the best-suited internal strategy managers can be recruited in the controlling department. In many cases, controllers already assume the role as an internal business partner for management or have the potential to do so. Controllers usually have deep knowledge of most aspects of the company, have access to facts and figures and are recognized as impartial guardians of rational and fact-based management culture. Further, most car dealers already have an operational planning process in place that is coordinated by controlling. Thus, controllers are ideally suited to connect the strategic measures to financial planning and reporting to support strategy implementation. Finally, controllers are familiar with a range of strategic management methods due to their educational background.

2. Theoretical Background

This article departs from the premise that “there still is no central, organizing paradigm for the field [of strategic management]” (Schendel, 1988). Strategic management is rather understood as a discipline with diverse streams that highlight different aspects of reality that, taken together, explain a part of what strategic management in practice really is (Al-Laham, 2017).

Therefore, the strategic management approach that is described in this article draws on the professional and academic experience of the author as a controller, manager, and lecturer. Since 2007, the author has been managing many strategy processes in several international enterprises and as a college lecturer has been teaching controlling and management. In practice, a strategic management process usually passes the milestones listed in The first step is to define the strategic objectives of the company by defining and formulating the business policy. The term “business policy” is used a synonym for “business philosophy” and defines the relation among the company and

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Table 1.

3. Research Methodology

The first step is to define the strategic objectives of the company by defining and formulating the business policy. The term “business policy” is used a synonym for “business philosophy” and defines the relation among the company and its stakeholders, such as customers, employees, state, suppliers, etc. It serves as the basis for planning strategic objectives and selecting specific strategies in all subsequent phases of the strategy process. When decisions need to be taken under uncertain conditions, the business philosophy can serve as a guiding star as a decision for a specific measure should only be taken when it fits the business philosophy. Its core elements are the mission of the company, its ultimate objectives, i.e. its vision and its values towards its shareholders. The business policy is documented in a so-called “Mission Statement”.

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Table 1: Strategic Management Process

↪	Objectives	↴ Business policy ↓ Mission Statement ↓ Strategic objectives
↑	Analysis and Forecast	↓ Business environment analysis ↓ Internal business analysis ↓ Forecast
↑	Strategy Development and Evaluation	↓ Strategies for a) enterprise b) business units and c) functions ↓ Growth, reduction or stabilising strategies ↓ Strategy evaluation and selection
↑	Implementation	↓ Mid-term and short-term measures and projects ↓ Short-term functional planning ↓ Short-term budget planning
⤴	Control	↶ Continuous controlling of ensures implementation and generates insights for subsequent strategy processes

The second chapter follows the process-oriented steps described in The first step is to define the strategic objectives of the company by defining and formulating the business policy. The term “business policy” is used a synonym for “business philosophy” and defines the relation among the company and its stakeholders, such as customers, employees, state, suppliers, etc. It serves as the basis for planning strategic objectives and selecting specific strategies in all subsequent phases of the strategy process. When decisions need to be taken under uncertain conditions, the business philosophy can serve as a guiding star as a decision for a specific measure should only be taken when it fits the business philosophy. Its core elements are the mission of the company, its ultimate objectives, i.e. its vision and its values towards it shareholders. The business policy is documented in a so-called “Mission Statement”.

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Table 1. It focuses on the strategic analysis phase and describes how the business environment as well as internal strengths and weaknesses can be analysed. It continues with the development and evaluation of a strategy and closes with some remarks on strategy implementation and control.

The final third chapter summarises the insights from the preceding chapters.

4. Strategic Management Framework

4.1 Strategic Analysis

The strategic analysis is a SWOT analysis, i.e. it focuses on external risks and opportunities in the business segments Max Motors operates in and on internal strengths and weaknesses of its business units (see

Table 2). Opportunities and threats represent the market attractiveness of a business segment while strengths and weaknesses represent the competitive strength of Max Motors in comparison to its main competitors.

Table 2: Schematic SWOT Analysis

			Business environment	
			Opportunities	Risks
Max Motors	Strengths			
	Weaknesses			

The business segments are defined by matching the components of the value proposition to the types of customers (see Table 3).

Table 3: Business Segments

	Types of customers
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		Freelancer & small businesses	Commercial fleets	Private consumers	Used Car Dealers	Repair workshops	Blue light customers	Industrial and logistics companies
Components of the value proposition	Mercedes-Benz	Passenger cars						
	Opel	Sales & After sales						
	Ferrari							
	Maserati							
	Mercedes-Benz				Commercial vehicles Sales & After sales			
	Street Scooter							
	Leasing	Automotive services						

First, Max Motors sells Mercedes-Benz, Opel, Ferrari and Maserati passenger cars and provides after sales services such as workshop services for repairs and maintenance as well as trading spare parts. Typical customers are freelancers and small businesses, for example from the legal or medical professions but also commercial fleets (e.g. corporations with company car fleets) and private consumers. Furthermore, used car dealerships buy used cars from Max Motors and spare parts. Except for Ferrari and Maserati, smaller repair shops buy spare parts for their customers at Max Motors. This business segment constitutes the passenger cars business and is marked red in Table 3.

Secondly, Max Motors sells Mercedes-Benz trucks and vans and Street Scooter to industrial and logistics companies such as construction firms and freight forwarders. Mercedes-Benz trucks and vans are sold to the so-called blue light customers, e.g. fire brigades, police or rescue services. Workshop services and spare parts are sold to all these types of customers as well as to smaller workshops. This business segment constitutes the commercial vehicle business and is marked dark grey in Table 3.

Finally, Max Motors brokers leasing services to all customer types for financing the purchase of new vehicles. This business segment constitutes the automotive services business and is marked light grey in Table 3.

4.1.1 Business Environment Analysis

The market attractiveness of each business segment depends on how relevant trends will impact specific characteristics of market attractiveness. Relevant trends are identified by conducting a PESTEL analysis. The abbreviation “PESTEL” stands for the political, economic, social, technological, ecological, and legal trends that shape the business environment (Behnam, 2018). In the case of Max Motors, the main trends are direct online sales by manufactures, shared economy and service mentality, connectivity and big data as well as autonomous and electric driving (see Table 4).

OEMs have begun to set up online stores to sell directly to end consumers to avoid costly retail outlets and to better control prices, thus circumventing independent car dealerships. The trend towards shared economy and services means that especially for younger consumers it is less attractive to own a vehicle. Owning a car becomes less of a status symbol but is increasingly regarded as part of a mobility service that can be shared with others. Connectivity and big data mean that the automobile is seen more as a mobile device like a smartphone. Functions like starting and stopping the engine, lock and unlock doors or remote climate control functions are controlled by smartphone apps. Community-based parking slots are derived from cloud databases and suggested to the driver. Individual vehicles exchange information via Wi-Fi or Bluetooth and alert subsequent vehicles of road dangers such as accidents or iced roads. Manufactures create online platforms such as “Mercedes me” to provide

connectivity and digital services. Autonomous driving functions are step-by-step taking over driving functions from human drivers until they might replace human drivers completely. Finally, full-electric vehicles will replace in the mid-term 25% of the existing vehicles fleet with traditional combustion engines.

Table 4: PESTEL Analysis

	Sphere	Trend	Relevant
P	Political	Backlog of public investment in the transportation sector	No
E	Economic	Direct online sales by OEMS	Yes
S	Social	- Shared economy - Service mentality	Yes Yes
T	Technological	- Connectivity and big data - Autonomous driving	Yes Yes
E	Ecological	Electric driving	Yes
L	Legal	Data protection	No

Specific characteristics of market attractiveness are market size and growth, the price and profitability level of the business segment, the negotiation power of suppliers and customers, the risk of substitution as well as the intensity of competition. These characteristics are rated on a scale ranging from 1 to 5, where 1 represents very low, 2 represents low, 3 represents medium, 4 represents high and 5 represents very high. Each characteristic is weighed according to its relevance. The sum of all weighted ratings adds up to the rating for market attractiveness. The example in Table 5 shows an overall market attractiveness rated at 2.8.

Table 5: Market Attractiveness

	Market attractiveness						Weight	Weighted
	Unweighted							
	Very low	Low	Medium	High	Very high			
Substitution risk		2.0				25%	0.5	
Profitability			3.0			21%	0.6	
Price level				4.0		11%	0.4	
Supplier power			3.0			14%	0.4	
Consumer power				4.0		11%	0.4	
Market growth			3.0			7%	0.2	
Competition		3.0				7%	0.2	
Market size				4.0		4%	0.1	
Overall						100%	2.8	

The weight of each market characteristic is determined by pairwise comparison (Schnur, 2023). The relevance of each characteristic is compared with the relevance of all other characteristics. A market characteristic scores 1 point if it is more relevant than another characteristic and scores 0 points when it is less relevant. For example, when market size is more relevant as market growth, it scores 1 point and when it is less important as supplier power, it score 0 points. The sum of all points per market characteristic is divided by the sum of all scored points of all market characteristics. This percentage is the weight of the market characteristic. For example, when market size scores 1 point and all market characteristics score an overall 28 points, the weight of market size is 1/28 or 3.57% (see Table 6).

Table 6: Pairwise Comparison

	Market size	Market growth	Price level	Profitability	Consumer power	Substitution risk	Supplier power	Competition	Sum	Weight (%)
Market size		1	0	0	0	0	0	0	1	3.57
Market growth	0		0	0	0	0	1	1	2	7.14
Price level	1	1		0	0	0	0	1	3	10.71
Profitability	1	1	1		1	0	1	1	6	21.43
Consumer power	1	1	1	0		0	0	0	3	10.71
Substitution risk	1	1	1	1	1		1	1	7	25.00
Supplier power	1	0	1	0	1	0		1	4	14.29
Competition	1	0	0	0	1	0	0		2	7.15
									28	100.00

The market attractiveness of each business segment is rated by this method for the actual year of the analysis and for the last year of the strategic planning period. For example, the market attractiveness of the Mercedes-Benz passenger car business deteriorates from 3.2 to 3.0 due to increasing substitution risks and supplier power.

Table 7: Evaluation of Market Attractiveness

	Weight	2018			Change in %					2025	
		Attractiveness	Unweighted	Weighted	Connectivity	Autonomous driving and big data	Shared economy and services	Electric driving	Direct online sales	Unweighted	Weighted
Market size	4%	Very high	5.0	0.2	+1	+1	-2	0	+3	5.0	0.2
Market growth	7%	Medium	3.0	0.2	0	+2	-2	0	+3	3.1	0.2
Price level	11%	High	4.0	0.4	0	+2	0	0	-5	3.9	0.4
Profitability	21%	Medium	3.0	0.6	+5	+2	0	0	+5	3.4	0.7
Consumer power	11%	High	4.0	0.4	0	0	0	0	+3	4.1	0.5
Substitution risk	25%	Medium	3.0	0.8	-5	-5	-5	-5	-10	2.1	0.5
Supplier power	14%	Medium	3.0	0.4	-10	-5	-10	+5	-10	2.1	0.3
Competition	7%	Medium	3.0	0.2	+10	0	-10	0	-10	2.7	0.2
	100%			3.2							3.0

The underlying assumptions for the change of market size and market growth are that connectivity and autonomous driving will result in slightly more accidents until the new technologies will mature. Shared economy and services favours car-sharing and will lead to less sales. The positive effect of electric driving leading to more repairs, will be offset by the fact that electric motors have fewer parts and are easier to repair. Direct online sales make purchasing of a vehicle easier so that consumers will buy more frequently.

Price levels will increase due to more complex technology in autonomously driving vehicles, but online sales put prices under pressure due to higher market transparency.

The profitability of the branch will increase because car dealers can sell high-margin add-on service thanks to connected services. Autonomously driving cars have more accidents in the mid-term due immature technology and propel the rather high-margin service business. Increasing direct online sales by manufactures is a potential for car dealers to reduce fixed costs for real estate properties.

More online sales will increase consumer power through higher market transparency.

Shared fleets of autonomously driving and connected vehicles substitute private ownership of cars with sharing cars as a mobility service. Direct online sales reduce market entry barriers by new competitors (e.g., online trading or brokering platforms).

OEMs become more powerful by owning more and more consumer and vehicle data thanks to connectivity and big data, forward integration and by providing additional services (e.g. leasing). Also, manufacturers increase market power by building up direct online sales. However, new electric brands create opportunities for car dealer to diversify their brand portfolio.

Membership of consumers in online platforms increase brand loyalty but shared economy and mobility as a service reduce relevance of brands. Online sales make competitors more comparable and reduce market entry barriers.

4.1.2 Internal Business Analysis

The internal business analysis focuses on the competitive strength of Max Motors' business units. The competitive strength depends on how well Max Motors's business units perform in each business segment on factors that are crucial for business success in comparison to its competitors. Success factors and examples for success factors are displayed in Table 8.

The relevant internal success factors for Max Motors are market position, operational excellence, customer satisfaction, reachability (i.e. how good can customers reach Max Motors by phone, email and other means of communication), power to innovate and attractiveness as an employer.

The performance of Max Motors and its main competitors on each of these success factors is rated on a scale ranging from 1 to 5 where 1 represents very low, 2 represents low, 3 represents medium, 4 represent high and 5 represents very high. The sum of all weighted ratings adds up to an overall rating for competitive strength (see Table 9).

Table 8: Success Potentials and Internal Success Factors (Al-Laham, 2017)

Success potential	Internal success factors	Examples
Product-Market-Potentials	Market position	• Market share • Brand and company image
	Value creation	• Relative cost advantages • Learning curve advantages • Cost structure
Human potentials	Personnel	• Qualification • Motivation • Fluctuation
Technical and Information potentials	Infrastructure	• Asset capacity • Asset flexibility • Asset intensity
	Technology	• F&E intensity • F&E resources • Patents, data bases
Structural potentials	Structures	• Management system • Organisational structures
	Constitutively factors	• Locations • Legal form
Financial potentials	Capital and finance streams	• Capital structure • Tax benefits

Table 9: Example for Performance on Success Factors by Max Motors

	Performance on success factors						
	Unweighted					Weight	Weighted
	Very low	Low	Medium	High	Very high		
Market position				4.0		13%	0.5
Operational excellence			3.0			20%	0.6
Customer satisfaction				4.0		33%	1.3
Reachability			3.0			20%	0.6
Innovation				4.0		7%	0.3
Employer attractiveness		2.0				7%	0.1
Overall						100%	3.4

The weight of each success factor is determined by pairwise comparison (Schnur, 2023). The relevance of each factor is compared with the relevance of all other factors. A factor scores 1 point if it is more relevant than another factor and scores 0 points when it is less relevant. For example, when market position is more relevant than reachability, it scores 1 point and when it is less important as customer satisfaction, it score 0 points. The sum of all points per factor is divided by the sum of all scored points of all factors. This percentage is the weight of the success factor. For example, when market position scores 2 points and all market characteristics score an overall 15 points, the weight of market size is 1/15 or 13.33% (see Table 10).

Table 10: Pairwise Comparison of Internal Success Factors

	Market position	Operational excellence	Customer satisfaction	Reachability	Innovation	Employer attractiveness	Sum	Weight (%)
Market position		0	0	1	1	0	2	13.33
Operational excellence	1		0	0	1	1	3	20.00
Customer satisfaction	1	1		1	1	1	5	33.33
Reachability	0	1	0		1	1	3	20.00
Innovation	0	0	0	0		1	1	6.67
Employer attractiveness	1	0	0	0	0		1	6.67
							15	100

The difference between the overall rating of Max Motors and its best competitor is the competitive strength of Max Motors. The absolute difference is mathematically scaled up to fit on a scale ranging from 1 to 5 where 1 represents very high competitive disadvantage, 2 represents a high competitive disadvantage, 3 represents no competitive disadvantage, 4 represents a competitive advantage and 5 represents a very high competitive advantage. The average of all scaled up differences represents the competitive strength of Max Motors. The example in Table 11 shows a competitive strength of 3.4.

Table 11: Example for Competitive Strength of Max Motors

	Max Motors Weighted Score	Best Competitor Weighted Score	Diff. abs.	Diff. Scaled Up
Market position	0.53	0.33	+0.20	3.6
Operational excellence	0.60	0.50	+0.10	3.2
Customer satisfaction	1.33	1.43	-0.10	2.9
Reachability	0.60	0.80	-0.20	2.6
Innovation	0.27	0.02	+0.25	4.5
Employer attractiveness	0.13	0.03	+0.10	3.6
Average				3.4

The competitive strength of each business segment is rated by this method for the actual year of the analysis and for the last year of the strategic planning period. The rating for the last year of the planning period is the result of strategic measures Max Motors plans to implement during the planning period. For example, the competitive strength of the Mercedes-Benz passenger car business might improve from 3.0 to 3.4 because Max Motors is building up a professional service centre that helps catching up in terms of reachability in comparison to the best competitor.

4.2 Strategic Forecast

The strategic forecast is a quantitative forecast that simulates the quantitative effects of the changes in market attractiveness and competitive strengths over the strategic planning period on the financial statements such as profit and loss statement, balance sheet and cashflow statement. It is recommended to complement this forecast with a gap analysis (Behnam, 2018).

4.3 Strategy Development and Evaluation

For Max Motors, strategies for its business unit are derived by transferring the ratings for market attractiveness and competitive strength to a business portfolio. The business portfolio is a matrix that contrasts market attractiveness with competitive strength (see

Table 12).

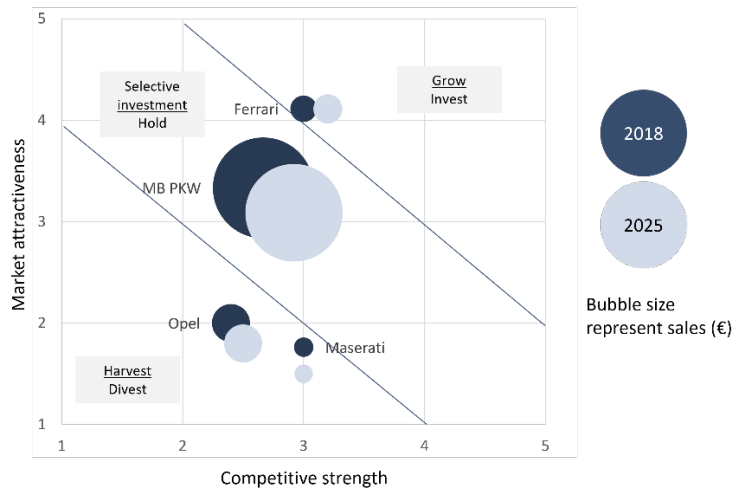
Business segments with high market attractiveness and highly competitive strength follow a growth strategy while business segments with medium competitive strength and medium market attractiveness follow a stabilising strategy. Business segments with low competitive strength and low market attractiveness are candidates for divestment. Here, the focus should be on harvesting as many profits as possible.

Table 12: Business Portfolio

Market attractiveness	High	<u>Selective investment</u> Hold	<u>Grow</u> Invest	<u>Grow</u> Invest
	Medium	<u>Harvest</u> Divest	<u>Selective investment</u> Hold	<u>Grow</u> Invest
	Low	<u>Harvest</u> Divest	<u>Harvest</u> Divest	<u>Selective investment</u> Hold
		Low	Medium	High
		Competitive strength		

For the business segment passenger cars, the business portfolio suggests a stabilising strategy for the Mercedes-Benz business, a growth strategy for Ferrari and reduction strategies for Opel and Maserati.

Figure 1: Business Portfolio Passenger Cars



The strategy indicated by the portfolio analysis is further evaluated by asking the so-called tough questions (Day, 1986):

- Does the strategy allow for a sustainable competitive advantage?
- How realistic are core planning assumptions?
- Is the implementation of the strategy realistic in terms of competencies, resources and management commitment?
- Is the strategy consistent (internal fit)?
- How robust is the strategy versus certain trends and are the resulting risks acceptable?
- How flexible is the strategy?
- Will the strategy increase the value of the company and/or the business unit?

Only strategies that will pass these questions with sufficiently satisfying answers will be selected.

4.5 Strategy Implementation and Control

In the case of Max Motors, strategy implementation in the business segment passenger cars would mean to divest the Opel and Maserati business, to grow the Ferrari business and improve its competitive strength and to hold the Mercedes-Benz business and make selective investments to improve competitive strength.

The resulting measures should be implemented by adhering to the Eight Components of the Strategy Execution Process (Thompson, 2015):

1. Building a capable organisation
2. Marshalling resources behind the drive for good strategy execution
3. Instituting policies and procedures that facilitate strategy execution
4. Adopting best practices and striving for continuous improvement
5. Installing information and operating systems that enable company personnel to carry out their strategic roles proficiently
6. Tying rewards and incentives directly to strategy execution
7. Shaping the work environment and corporate culture to fit the strategy
8. Exerting the internal leadership needed to drive execution forward

Therefore, it is necessary to break down strategic measures in detailed measures for individual business segments and/or departments.

The strategy implementation can be controlled by regularly repeating the strategic analysis. For controlling the implementation of detailed measures, their output (i.e. sales and profits) and their inputs (i.e. costs and investments) are evaluated and taken over into the annual financial budget. Their success is controlled by a regular monthly reporting of deviations from the budget.

5. Conclusion

Strategic management gains a degree of urgency for German car dealerships as they operate in a consolidating business environment shaped by trends that will fundamentally change the core elements of the traditional car dealership business model.

The objective of this article was to describe a strategic management approach for car dealerships that can successfully be applied without external consultancy services. Controllers are highly qualified for implementing this approach because they have comprehensive knowledge of the company. They also have access to facts and figures and have an adequate educational background. Controllers are even more suitable for coordinating the strategy process when their role as an impartial guardian of rational management is accepted in the company. Finally, controllers usually coordinate the financial budgeting process and can link strategic measures to budgets and to monthly reporting.

The strategic management approach for car dealerships is process-oriented and starts with defining business objectives. Subsequently, a strategic analysis identifies the market attractiveness and competitive strength of each business segment the car dealership is operating in. This includes a planning of strategic measures.

The resulting business portfolio indicates which strategies should be followed and what strategic measures need to be taken.

Selected strategies are implemented by paying attention to a set of organisational, cultural, and resource-based components. Strategic measures can be controlled by regularly repeating the whole or parts of the strategy process and by tying detailed measures to financial budgets and a regular reporting on deviations from the budget.

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