The decisions between sale and execution that ultimately define project profitability

Between the moment a sale is closed and the moment a project is executed, the financial outcome is not yet determined. During that period, decisions are made that affect cost, timing, scope, and execution. None of them alone explains the final result, but together they define the project's profitability.

In many dealerships, this process is not managed as a connected system. The project moves forward, the client receives the expected outcome, and revenue is recognized. Yet when performance is reviewed, margins do not reflect what was originally projected. The challenge is not identifying a single mistake, but understanding how that result was built over time.

Where results begin to shift

Some of the most consequential decisions take place before the project formally begins.

- **Commercial conditions at the point of sale**
- Discounts, loosely defined scope, or commitments made to secure the deal establish a starting point that shapes execution. That information is not always clearly transferred to those managing the project.
- **Scope definition**
- When the scope is not fully defined from the beginning, the project begins to absorb adjustments that are not always documented or translated into additional revenue.

These decisions are often evaluated in terms of winning the business, but their impact extends throughout execution.

How they accumulate during execution

As the project progresses, additional decisions begin to influence the outcome without being treated as critical.

- **Change and exception management**

- Adjustments made to maintain project continuity or preserve the client relationship can shift costs that are not immediately visible.
- **Field-level operational decisions**
- Choices that prioritize speed or delivery can introduce rework or inefficiencies.
- **Coordination across functions**
- Misalignment between sales, project management, and operations often results in added costs or reduced efficiency.

Each of these decisions makes sense within its own context, but their cumulative effect is rarely evaluated in an integrated way.

What this looks like in practice

This pattern appears consistently across dealerships:

- Projects delivered on time with satisfied clients, but margins below expectations
- Teams operating under a high workload without a corresponding improvement in financial results
- Ongoing adjustments during execution that were not anticipated at the outset
- Difficulty identifying where the deviation actually occurred

The outcome is not driven by a single moment, but by a sequence of decisions.

Why is it difficult to manage

Most dealerships already have access to data across sales, costs, and execution. The challenge lies in how that data is interpreted.

Decisions are made within specific functions, each with valid objectives. Sales focuses on closing business, project management on maintaining flow, and operations on execution. When those decisions are not evaluated together, their impact on profitability becomes difficult to anticipate.

What you can start doing now

Without changing systems or adding reporting layers, there are practical ways to begin seeing this process more clearly:

- **Review a recent project end-to-end, not just its final result**
- Reconstruct the key decisions made from sale through execution. Identify where the scope shifted, where exceptions occurred, and how they were handled.
- **Make commercial conditions visible to the execution team**
- Ensure that project management and operations clearly understand the discounts, commitments, and assumptions established at the point of sale.

- **Track changes that are currently resolved informally**
- Pay attention to adjustments made in real time that are not documented but still impact cost.
- **Prioritize decisions based on their impact on profitability**
- Distinguish between decisions that improve execution and those that directly affect project margin.
- **Involve multiple functions early in the process**
- Review projects before execution with input from sales, project management, and operations to align expectations from the start.

These actions do not require structural changes, but they help connect decisions that are often managed in isolation.

An implication for team development

This way of understanding the business rarely develops within a single function. It requires a broader view of how commercial, operational, and execution decisions interact within the dealership model.

For that reason, many organizations are creating development spaces focused on understanding the business as a whole, where the goal is to connect distributed decisions with real economic outcomes. In this context, the Dealer Management Development program is designed to help teams build that integrated perspective, working directly on how profitability is shaped in practice.

If these situations feel familiar in your operation, it may be worth taking a closer look at how decisions are being made today and how visible their impact is on the final result.

You can learn more about the program and its approach here:https://solomoncoyle.com/education/dealer-management-development/