

Parts Manager Questions

Have your parts manager answer the 78 questions found in this zip file. Confer and provide suggestive actions. (50 points) Provide your answers in a different color font.

1. How often is your dealerships source pricing levels reviewed for competitive maintenance and heavy repair? *once a year*
2. Compare the pricing policies in the parts department and see how competitive your Dealership is within your area.
3. Verify with the use of market surveys on selected parts prices in your area as to whether you are competitive with others. You don't have to be the lowest to sell more, but too little or too much profit can keep you from being competitive.
4. Does the computer system you have follow one or more of the pricing guides for various types of customers? Review the pricing structure with the manager and determine areas of profit potential. Policies in wholesale, retail counter, service department, employees, etc., need to be established. *yes*
5. Do you have in place policies and DMS controls (via Exception or Deviation Reports) to prevent counter people from changing the pricing structure during daily transactions? What about Service Advisors? *All parts counter personnel can change price level, the PM runs a weekly reports (2211) that shows variances*
6. Is there a process followed to prevent the costing of parts at other than the established factory (OE) cost within the dealership when parts are placed into the inventory? (done through the use of +/- inventory adjustment account(s))
Parts costing can only be changed by a manager
7. Regardless of parts cost (due to various sourcing opportunities (Jobber/Wholesale Distributor), are they all costed at the same factory price to maintain accurate inventory value? *yes*
8. How are discount purchases tracked in the system to show additional profit based on the cost of the part from a particular source other than factory price? *PM runs a report weekly (2211)*
9. Do you have an internet presence for your parts department? *EBAY*
10. What type of merchandising programs do you have in effect? What is the relative cost versus sales generated as a result of the programs? *NA*
11. Is an outside salesperson active in your parts department? Are the sales at a level that "pays" for the employee or could the accounts be maintained on a part-time basis by the manager? *No outside sales people are utilized*