

First Time Fill Rate

DEALERSHIP NAME	RO's Filled 1st Time (Right Away)	First time fill rate same day Same Day	RO's Not Filled Same Day	Actual 1st Time Fill Rate %
10/21/2023	4	3		75%
10/23/2023	10	8	2	80%
10/24/2023	5	4		80%
10/25/2023	7	7		100%
10/26/2023	2	2		100%
10/27/2023	10	8	1	80%
10/28/2023	3	3		100%
10/30/2023	7	5	2	71%
10/31/2023	6	5	1	83%
11/1/2023	5	5		100%
11/2/2023	8	6	1	75%
11/3/2023	6	5	1	83%
11/4/2023	5	3	2	60%
11/6/2023	7	6	1	86%
11/7/2023	10	9	1	90%
11/8/2023	9	5	4	56%
11/9/2023	8	7	1	88%
11/10/2023	4	2	1	50%
11/11/2023	6	5	1	83%
11/13/2023	7	6	1	86%
11/14/2023	5	4	1	80%
11/15/2023	9	9		100%
11/16/2023	8	7	1	88%

11/17/2023	9	5	1	1	56%
11/18/2023	6	4		2	67%
11/20/2023	5	5			100%

PARTS HOMEWORK – ACTION PLAN

S Specific **M** Measurable **A** Achievable **R** Relevant **T** Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?
Example: *"I will decrease my 5K run time from 30 minutes to 21 minutes by June 15."*

S M T

TO REDUCE PARTS OBSOLESCENCE FROM \$47K to \$20K BY MARCH 2024

How does this goal align with or support your dealer's vision?
What are the BENEFITS of achieving your goal? What are the CONSEQUENCES if you don't?
Why is this goal important to you?

R

USING THIS GOAL WE WILL LOWER OUR PARTS OBSOLESCENCE, WHICH IN TURNS HELPS OUR DAY SUPPLY AS WELL INVENTORY TURN. IT WILL ALLOW US TO UTILIZE THE CAPITAL BETTER TO HAVE BROADER STOCK THAT CAN HELP WILL FILL RATE.

PARTS HOMEWORK – ACTION PLAN

How will you track your progress? Where will you find the information? How often will you check in?

S M A T

WE WILL TRACK PROGRESS EVERY WEEK WITH TUESDAY MEETING REGARDING OBS PARTS. USING CDK, REVIEW LAST 12 MOS OBSOLECENCE REPORT.

Potential Obstacles?



FRIEIGHT
SALE FEES
LOW DEMAND
RETURNS

Potential Solutions?



FREE FRIEHT(DELIVERY)
SALE AT COST TO MOVE PART
DISCOUNT WITH NO RETURN
OPTION

BOTTOM LINE! What is the financial impact (expressed in dollars) of achieving your goal?

S M R T

TO BRING \$27K BACK TO GROSS THAT WE TYPICALLY HOLD IN A RESERVE ACCOUNT

CONGRATULATIONS! You've accomplished your goal! You added or adjusted policies, procedures, and behaviors. Now what? How will you ensure you and your staff do not fall back into the previous habits that produced poor results? Be specific.

S A

USING INVENTORY AGING TOOLS, WE WILL MONITOR 45-90 DAYS TO REVIEW CURRENT OBS TOTALS. INSTITUTE PRE PAID SPECIAL PARTS ORDER PROCESS TO ELIMINATE HIGH RETURNS/ NO PICK UP.

Parts Manager Conversation

Collaborate with your Parts Manager to answer the following questions. Use this opportunity to share new ideas from the class and to coach your Parts Manager on how they can be implemented. Be sure to respect their expertise. Provide your answers in a different color font.

1. What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)? **NADA ACADEMY**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **YES, TO CREATE THE ABSOLUTE BEST NEW/UC SALES.SERVICE EXPERIENCE THAT TRANSCENDS THE TRANSACTION AND CREATES A RELATIONSHIP.**
3. Have you ever tracked your First Time Fill Rate (FTFR) manually (not using the DMS or your OEM)? What is your current Repair Order FTFR? **NOT MANUALLY UNTIL AFTER PARTS CLASS 87%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **85% &15%**
5. What policies, controls, and security are in place on your DMS (via Privileges and/or the Exception or Deviation Reports) to prevent counter people from changing the pricing structure during daily transactions? **OVERRIDES ARE ONLY ALLOWED VIA MANAGER LOG IN**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **SERVICE DIRECTOR/PARTS MANAGER**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **YES, ESTABLISHED BY GM AND DEALER PRINCIPLE**
8. If you are in a Retail Reimbursement for Warranty state, are you at retail for warranty? If not, when was the last time you petitioned the OE for retail reimbursement? **YES. YES RETAIL AT WARRANTY**
9. Do the Parts, Service and Body Shop Managers work with the Office Manager/Controller monthly to follow up on all Work in Process (WIP) documents. Do they verify that all parts invoices and repair orders are closed out in a timely manner? What does this look like? **YES, ALL INVOICES ARE CLOSED BY THE END OF THE MONTH**

10. Is the financial statement for the Parts department given to the manager and discussed on a weekly/monthly basis? If not, is a daily operating report of sales, gross profit, etc., provided to the Parts Manager for review (DOC)? **YES, WE GO OVER F/S EVERY MONDAY**
11. What is your retail pricing strategy for your Parts department? How often do you check to see whether your pricing goals are being achieved? **WE USE RETAIL PROCE MATRIX BASED OFF OF LOWE-HIGH DOLLAR.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **WEEKLY ADJUSTMENTS MADE DURING HOLIDAY**
13. Do you have a Parts online eStore? How do you ensure that parts order forms/queries are responded to in a timely manner? Who gets the email leads/questions? **WE DO NOT. PARTS LEADS COME VIA CRM AND ARE ANSWERED BY PARTS ASSOCIATE.**
14. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed? **OEM HAS MANDATORY TRAINING AND PARTS MANAGER DOES RETURN, INVENTORY AND SALES REFRESHERS**
15. Do you have a process to offer accessories to 100% of your New and Used customers? If so, what does it look like? If not, why not? **YES, OUR SALES AND FINANCE DEPARTMENT HAVE ACCESSORIES TABLET**
16. What would help you sell more accessories? **MORE VISABLE AND UPDATED DISPLAYS**
17. Do you review your wholesale customers to see if their sales, gross, and returns justify the expense of conducting business with them? How often are they reviewed? **YES, WE REVIEW IT QUARTERLY.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **\$815.00 A DAY**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **WE DO MONTHLY CYCLE COUNTS AND MONTHLY RECONCILIATIONS**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **YES, ANY PART THAT WE CANNOT FILL AT THE TIME OF CUSTOMERS REQUEST**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **SCHEDULING THE CUSTOMER TO COME BACK IN ASAP**

22. In your store, what do you feel is the biggest cause of frozen capital and/or obsolescence? What is the current dollar value of your obsolescence? **LEFT OVER INVENTORY FROM BUY/SELL. \$47,000**
23. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? **STRATEGY IS CONTROLLED BY PARTS EYE.**
24. On a scale of 1-10 (10 = expert level) what is your level of understanding of the information that is on your DMS's monthly summary? **8**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **QUARTERLY, MANUFACTURE MEETING**