

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)? **Gary attended the Parts class and is attending the Service class as well.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Have the right part in-stock and the right time.**
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? **No but we have completed, and it is 16%.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **76% internal 24% outside**
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? **Only Gary can authorize the price discounts.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only Gary our Service and Parts manager**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes and Gary and myself.**
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? **No we are at 102 per hour and GM raised it last year from 99. We have not petitioned in the last 8 years.**
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, Gary and Jason visit with Brenda to verify and correct any issues.**
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 do weekly meetings.**

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 a matrix pricing strategy.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [We look at it weekly now.](#)
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 have signed up with parts revolution and the email go to Gary.](#)
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? [Yes training is available and it is mandatory. It is through GM center of learning.](#)
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? [No, we are working on implementing a sales process and position for accessory sales.](#)
16. What would help you sell more accessories? [Having accessories pre loaded and a accessory sales person.](#)
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 Gary reviews this monthly.](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [\\$2084.00](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Monthly Bin checks and yearly inventory.](#)
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? [We are tracking it now, our definition is not having the part in stock when the customer needs it.](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [We don't really have a big problem with that and SOP are paid for in advance.](#)
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? [Body shop parts is the biggest issue, 52,717.](#)

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.)? [We have changed to a 3 in 12 and are working with our GM rep to make is work in conjunction with RIM.](#)
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? [We purchased a roll car and laptop and so he can walk down the bins and make corrections while standing there.](#)