

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)? **Graduated from Northwood University**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No official Vision Statement**
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 until we completed this assignment**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **Vast majority of business comes from outside, due to our large wholesale operation**
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? **UUP Function and reviewing monthly reports that show what is sold under cost**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Management and select countermen**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **We are at retail pricing for internal**
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, we are at retail for 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?
Managers all meet weekly, and discuss WIP in that meeting. There is an excel spreadsheet with all open R.O.s and their important information which is reviewed daily by managers and advisors

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](#)
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? [Pricing matrix based upon wholesale business. DOC is reviewed daily to ensure progress on monthly goals.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [The webpage is audited monthly](#)
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? [Yes. All forms get sent to our service adviser to be sorted.](#)
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? [Our parts personnel all get paired for an apprenticeship with a senior salesman](#)
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 Accessories manager is introduced at the end of every F&I process.](#)
16. What would help you sell more accessories? [Renewing old accessories display](#)
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 have a wholesale department manager, Adonis, who reviews all of this.](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [Not off the top of his head, but I showed him the figures we calculated in class](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [spot checkers](#)
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 our DMS Tracks lost sales. Our definition is "R.O.s that were not sold"](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Writers do not call costumers to follow up with special order parts](#)

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? Wholesale parts being returned, our current obsolescence is a little more than average do to yeti supplies and retail
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 prioritize RIM, and special order parts for wholesale/other needs.
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? 10
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? \$\$\$