

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)? **NA On The Job Training**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? **Team work makes the dream work**
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-79.5percent**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?**80- 20 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? **Access is set through the accounting office only.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Manager and Service advisor**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **10 percent over retail. Internal parts pricing were established prior to service manager 10 years ago.**
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? **56.59 percent over warranty. Petition was done last year.**
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 they do work together. They run open invoices & RO daily to determine what is closed and what is not.**
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)? A financial statement is not given daily. Doc is looked is looked at daily.

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? Retail is what we are priced and the doc is checked daily to make sure no discounts are given.
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated Audits are done weekly and coupons are reviewed and updated 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 and leads general though BDC then given to parts manager.
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? Training is though online though OEM and is mandatory quarterly.
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? Generally is not a 100 percent offered because we do not have a process in place.
16. What would help you sell more accessories? Putting a process in place that during every sale new and used accessories are presented to every customer.
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 a review is done monthly to see how much we are selling in wholesale and how much gross we are making.
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? No never been discussed.
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? Cycle done weekly. Comes out at end the year audit.
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 . Yes. The definition that is used is if customer comes up and we do not have part or tech that is considered loss sale.

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Getting in touch with the customer because of the SOP being on back order and getting them to coming back in.](#)
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? [SOP not being picked up. \\$353.00](#)
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 determined by RIM which is the guide that we go by.](#)
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? [9](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Getting a shipping and receiver to free up the parts manager instead of him filling in for the position per him.](#)