NADA | ACADEMY

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)? Ford Motor Co. Parts Mgr Certification, VW/Audi parts mgr. certified, private tutored.
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
   NOTHING FORMALIZED
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
4. What percentage of your business comes from Inside (RO/Internal/Warranty/~~Body Shop~~) vs Outside (Counter Retail & Wholesale)?
   1 RO: 44% | 2 Internal: 11.4% | 3 Warranty: 17.6%
   4 Counter Retail: 5% | 5 Wholesale: 22%
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? PERSONNEL CAN edit AS WARRANTS but mgr audits ALL TRANS AT EOD VIA EOD G.P. Summary Report.
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
   Parts Associates ONLY. Service CAN discount though.
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? YES. Parts Mgr approved by Glenn.
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.
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?
   Adam, Don, + Mark do. NOT Michelle. Run Parts on WIP Report.
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)? Receive financial. NOT Discussed. MTFS Reviewed 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?
    MSRP on Nissan. Inhouse formulated for outside PARTS. Goals are monitored daily at EOD. Adjusted when goals warrant.

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., 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. Order inquiry only. Inquiries are sent to mgr and group. 100% follow up.

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? Virtual academy. In house. Daily hands on observation by mgr.

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? Genuine Nissan Digital Accessories catalog & Nissan Genuine Access Catalog. First is MERAS tailored + priced.

16. What would help you sell more accessories?

Lower the MSRP, Lower Dealer net!

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?

Continually. Every time a part is returned.

18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? Yes. Simple calculation. Expense loading divided into Days Business divided by salespeople. (GP)

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? Numerous! Daily orders are bin checked. Acctg. office does not want these.

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? Alternative clipboard reporting. Mgr final screening and reports in DMS or direct action input.

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? Running well. All orders must have DMS reporting via RO or counter invoice.

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?

Nissan eliminated excess return allowance (1000 mo) and RIM. 4500 current value.

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.)?

Nissan RIM set up per guidelines. DMS has own parameters.

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? Use various tools. (9-10) DMAck mgmt trend report is not very helpful (7)

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?

Use best practices and stay the course regardless of a parties sway preference. Each practice is solid and with purpose.