

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)? **Net profit / online with manufacturer testing**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **no**
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 currently**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **92/8**
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? **Counter employees can not over ride**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts and service manager**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes/ parts manager, service director / yes**
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? **Yes/ monthly we have to discuss open repair orders that are over 30 days**
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)? **No / weekly DOC 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? **Matrix/daily meeting**

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Monthly/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? [no](#)
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? [online manufacturer training](#)
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 but we are working on it. We have our accessories page on the website. Working on QR readers to go on table tops.](#)
16. What would help you sell more accessories? [More availability](#)
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? [No](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [No - unfamiliar with expenses.](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Verification of vin/ good communication w/techs](#)
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? [Minimally / yes yes if we cant supply it at time of sale](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Customer contact](#)
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? [Errors w/employees](#)
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.)? [phase in 3 in 90 days / phase out 12 months no sale](#)
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? [8-9](#)

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Better team work](#)

After reviewing the 25 Questions with the Parts Manager, I met with both the service manager and parts manager. We went over the 25 questions and what we found is most of our problems are employee related. With more authority and training we can streamline many of our processes and eliminate errors. In doing this we will improve customer satisfaction, employee productivity and ultimately increase profit.

FTFR

When taking out recalls oil changes and warranty it really changes the %.

A lot of our service work seems to be sop/warranty/recall/oil changes

What's the % view by

Parts manager 85-90%
Parts counter employees 90%
Service manager 80-90%
Service advisors 50%
Techs 50%

I also asked all parts employees what's 1 thing that could be changed to make there job easier there answer

- Better streamline approvals instead of having 6 different ways there should be only 1 CDK DASHBOARD

We use cdk and our phone system is 8X8 they receive approval for work though.

- 8x8 group message
- Email
- Phone call
- Cdk dashboard
- Dashboard messenger
- At the counter

Our doc meetings are every Monday I will be bringing this up in that meeting.

