

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)? **No formal training**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No, it does not but we are working with the manager to create one.**

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 I showed Tony how to this moving forward. Currently we are at 75% FTFL and working on a new process we went over in class to improve.**

3. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **80%**
4. 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 managers can change access.**
5. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Service manager**
6. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes the parts director for the group just updated this in late 2023.**
7. 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 warranty rate and it was recently changed in 2023.**
8. 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 and Yes the service manager reviews daily as well as goes over it in his morning meetings.**

9. 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)?
10. What is your retail pricing strategy for your parts department? How often do you check to see whether your pricing goals are being achieved? [Yes it currently at matrix pricing and it gets reviewed weekly.](#)
11. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [It has been reviewed every quarter and now it will be weekly until all is dialed in then monthly.](#)
12. 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 the parts manager is responsible.](#)
13. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed? [None and we are now talking about that as we want to see if there are any online training thru NADA that can assist.](#)
14. 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 now working on that](#)
15. What would help you sell more accessories? [Getting the sales department involved as well as having a couple of display units with accessories pre-loaded for customers to see.](#)
16. 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? [Not many w/s customers at this store currently and we are working on a process to gain some this quarter.](#)
17. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [No and that is a project we are now working on.](#)
18. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [We have a weekly office manager meeting, and we cover all departments.](#)
19. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? [Not currently but we are now having a conversation about this and will have a process soon.](#)
20. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Customer communication as well as we are now requiring all sop to be prepaid.](#)

21. 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? **70k and it was over 110k in late 2023 currently working hard on reducing that number.**
22. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? **Rim**
23. 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? **6**
24. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Real training !!**