

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)? **My parts manager doesn't have any additional training outside of the dealership. Formal training consists of Certifications required by Nissan and information in NNANET.com,**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **The Parts Dept didn't have a vision statement. However, after attending the Parts Class, we've implemented the saying, RIGHT PARTS, RIGHT PRICE, RIGHT NOW!**
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, in fact it is not a metric that he normally tracks at all. I asked him to guess at to what he thinks it would be, to which he responded 70-75%. After our discussion, he was able to locate a report in our DMS that indicates 95% mtd.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **80% Inside, 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? **None, both my manage and one parts advisor have the ability to change prices.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **The Parts manager and Parts Advisor are the only ones able to change pricing.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes we are. The owner established the Internal Pricing Policy. Yes they are current.**
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? **We are not a Retail Reimbursement State. It has been roughly 5 years since we have petitioned for retail reimbursement. I believe it's time to look at it again.**

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? **The office does not do a follow up on a monthly basis, rather it is the department manager's responsibility to ensure repair orders are closed out in a timely manner. They achieve this by reviewing the WIP on a daily basis.**
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)? **The Parts manager does not have access to the financial statement, however the daily operating report is provided for review**
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? **The pricing strategy is to be competitive in comparison to our surrounding dealerships, yet maintain profitability. The manager checks pricing typically once a month.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **The manager admitted that he never audits the page, but he does do specials and coupons 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 we do. All inquiries/leads go to the parts manager's email which is always open.**
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? **The only training available is through Nissan's dealer portal NNANET. The manager does mentor the advisor and is available if any issues arise.**
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? **We do not, nor does Nissan offer any brochures as they once did. I am in the process of implementing a process of offering accessories on a tablet during the sales process.**
16. What would help you sell more accessories? **Sales to parts.**
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, the parts manager reviews wholesale accounts on a weekly basis.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Nope!**

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? They check inventory via bin counts regularly and do a physical inventory with an outside company annually. The report after reveals any discrepancies.
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? Lost sales are not track in our DMS from what I can tell. After returning from the class, I had discussion with my parts manager about it. We had different ideas of what a lost sale was. He now understands that any time we are unable to capture the sale, whether it be a price check, or similar, it's a lost sale.
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? As I anticipated, Service is to blame. Not calling in the customer or being unable to get them in once the parts arrive.
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? Again, the service dept. Parts ordered on RO's and not getting picked up.
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.)? No set strategy as is 2/12 or 3/9, etc. Reason for this is because ASR will recognize the sales and automatically order parts if not monitored. With that said, MTD FTR is at 95%.
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? He is a confident 8.
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? Service overpromising with any knowledge whether the parts are available.