

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)?
All GM online Part Manager training
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? **No we don't track it manually we use our DMS fill rate**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **Inside 52.9% Outside 47.1%**
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? **Counterperson can override pricing, if necessary, but are introduced not to discount. All transactions are recorded in the DMS and monitored by the Parts Manager.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts personal are the only ones that can change or override pricing for parts.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **We are at Retail Pricing for internal the General Manager established the parts policy.**
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 at Retail Reimbursement for warranty.**
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 GM and Parts Manager work on the WIP monthly and provide the report to the Office manager. There is one very old (2 Years) repair order that is a legitimate the vehicle waiting on a part that GM can't get. The vehicle is still in our possession.

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)? **Yes, weekly and monthly.**
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 matrix pricing and is reviewed monthly.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Reviewed and updated quarterly.**
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? **We have a parts online store. The Parts Manager gets the leads and makes sure they are responded to daily.**
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? **GM has online training that is mandatory for the Counterpersons. The training is updated 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? **No they had a process and that process fell off and needs to be reinvented.**
16. What would help you sell more accessories?
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, they are reviewed yearly.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Yes**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Bin checks are done and when a variance is found the shipping and receiving personal investigate and then passed it on to the Parts Manager if it's not**

found. The Parts Manager will research and if it's not found when the inventory is done it will be adjusted and passed on to the accounting office.

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **No Rim dictates what we order, and we don't deviate from that. A lost sale is a when we have a need for a part that we don't have the in stock and no sale happens.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Service Writers getting in contact with the customer to bring them 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? **Lack of a good return policy reserve program by the GM. Our current obsolescence is 21,983.36.**
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.)? **Our phase out is 1 hit in 6 months. We are 100% RIM compliant all other phase in on 3 hits in 9 months.**
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 out of 10.
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Nothing**