

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)?
Our parts manager and assistant have taken all the Subaru online classes for senior master parts training.
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? Yes, Asbury north star.
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? Yes, _____
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
56% in shop. 44% retail/wholesale YTD.
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, individual gross percentages are reviewed weekly.
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
Parts dept sales people approve parts price changes. _____
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? Used car reconditioning is priced double cost, Policy is at cost, shop supplies at cost or 10% over cost depending. Accessories to the sales dept are MSRP. Dept managers are involved in pricing policy along with the GM
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 set at an average retail pricing reimbursement for our store. _____
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?

Parts WIP is reviewed several times monthly and before each month end. Accounting requires a report with information on any open parts tickets beyond 30 days. Our service manager also reviews WIP during and at EOM for issues.

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)? We meet once a week to discuss the doc. The financial statement is also reviewed 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? We use matrix pricing in the shop and parts counter retail. However, some maintenance items are priced with competitive market consideration such as wipers, brakes ect. Our e-store offers 10% discount off MSRP.

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?
Parts special coupons are reviewed 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?
One of our counter sales crew is assigned to respond to e-store requests. He inquires several times daily for new orders. When orders are complete he notifies the customer. The e-store parts are billed when they arrive and either sent out or placed in a separate location for pickup.

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?
Sales training is available and required with Subaru provided courses.

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 have Subaru tool to look up parts and labor totals. We also have an accessory sheet with the most popular accessories avail for each model that sales staff presents to each customer at the time of purchase. Sales staff are rewarded for selling accessories.

16. What would help you sell more accessories? Accessory sales training for sales staff.

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? Wholesale sales and returns are reviewed and decisions on discounts are based on volume. Return % is also reviewed occasionally.