

## 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? GM PARTS TRAINING CLASSES

WASHINGTON STATE AUTO DEALERS HAS A NICE FACILITY WHERE NADA TRAINERS WILL COME. LARRY IN SERVICE IS COMING IN OCTOBER.

2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? NO I DONE HAVE A VISION STATEMENT AS PER SAY, BUT WE ALL WORK & COMMUNICATE VERY WELL TOGETHER AND KNOW OUR ROLES & RESPONSIBILITIES.

WE HAVE COMPANY MOTTOS AND SLOGANS. WE DO HAVE A VISION FOR MANAGERS AND EMPLOYEES OF WHAT PERCENT OF GROSS DOES EACH EMPLOYEE REPRESENT.

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. 56%

NA

4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? 90%

80-90% INTERNAL

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? BOTH OF MY COUNTER PERSONS CAN OV/OC PRICES FOR BUYOUTS. I HAVE AN EXCEPTION REPORT I RUN TO SPOT CHECK THOSE CHANGES.

FIXED OPS CAN IF THE MANAGER ALLOWS THE PERMISSIONS TO.

6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? PARTS MANAGER, PARTS COUNTER PERSONNEL & SERVICE MANAGER.

PARTS PERSONELL AND MANAGERS IN THE FIXED DEPARTMENT

7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? YES. PARTS MANAGER. YES

RETAIL FOR INTERNAL

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 WE ARE.

YES WE ARE

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 WE DO.

YES WE DO WE ALSO ALL MEET WEEKLY WITH ANY 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)? ON A MONTHLY BASIS & WE ARE PROVIDED WITH A DAILY REPORT FOR SALES, GROSS PROFIT, ECT.

DAILY WE ARE EMAILED OUR #S FOR TRACKING AND SHOWS ALL DEPARTMENTS TRACKING.

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? I WORK OFF OF A MATRIX RETAIL PRICING STRUCTURE. I LOOK AT IT DAILY.

MATRIX

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? NO VERY OFTEN AT ALL

NOT VERY MUCH

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 USE THE GM ECOMMERCE PROGRAM, WE RECEIVE EMAILS WHEN AN ORDER IS GENERATED.

GM HAS THEIR OWN E COMMERCE THAT FUNNELS IN TO US.

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? WE DO OUR SALES TRAINING ON THE GM DEALER WORLD DISTANCE LEARNING AND I ALSO COACH MY COUNTER PEOPLE.

SAME AS THE TRAINING FOR THE MANAGER THERE IS COURSES WE CAN SEND PEOPLE TO.

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? YES WE HAVE A NEW TRUCK FULLY ACCESSORIZED ON OUR SHOWROOM FOR CUSTOMER TO EXPERIENCE.

ACCESSORY TRUCK WITH ALL WHEELS AND TIRES BEING DIFFERENT. PRETTY COOL ACTUALLY.

16. What would help you sell more accessories? PARTS, SERVICE & SALES PERSONNEL PRESENTING EVERY CUSTOMER EVERYTIME.

CONSISTENCY AND BRINGING CUSTOMERS TO PARTS AFTER EVERY SALE.

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, I JUST LOOK AT THEIR DOLLARS PURCHASES EACH MONTH AS COMPARED TO DOLLARS CREDITED.

NA

18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? NO

NO

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? WE DO PERPETUAL BIN COUNTS THROUGHOUT THE YEAR AND THEN WE DO A YEAR END PARTS INVENTORY.

ONCE A YEAR THEY DO BIN COUNT I BELIEVE.....

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? WE DO STRIVE TO STAY ON TOP OF LOST SALES. IF WE DON'T HAVE THE PART IN STOCK AND/OR CANT PROCURE IT EITHER FROM ANOTHER DEALER OR S/O FROM GM THEN WE ARE SUPPOSE TO POST A LOST SALE.

WE CAN TRACK LOST SALES BUT I DO NOT KNOW HOW WELL OR IF WE REALLY EVEN DO SADLY.

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? WE HAVE CUSTOMERS PRE PAY ALL S/O PARTS, OTHER THAN WARRANTY PARTS. YOU FIND THAT THE CUSTOMERS THAT PRE PAY FOR PARTS USUALLY ALWAYS RETURN TO HAVE THE PARTS INSTALLED AND/OR PICK THEM UP. WARRANTY CUSTOMERS ARE SOMETIMES HARD TO GET BACK IN.

DIDO WHAT KEN SAID HOWEVER I DO KNOW THE WARRANTY ONES ARE TERRIBLE BECAUSE WE HAVE TO CLOSE OUT THE RO NOW PER GM AND CALL THE CUSTOMER BACK IN AND THE SERVICE ADVISORS RARELY GET 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? WARRANTY SERVICE PARTS, S/O PARTS RETURNS FROM BODYSHOP & SERVICE DEPT

SPECAIL ORDER PARTS

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 ON PARTS WITH 2 HITS IN 3 MONTHS. PHASE OUT AFTER 15 MONTHS NO SALES

NA SAME AS KEN SAID

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

7

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? TIME TO MANAGE THE DEPARTMENT

KEN HAS BEEN WITH US FOR ABOUT 30 YEARS SO WHEN SHIT HITS THE FAN IN SERVICE KEN IS THE ONE THAT PICKS UP THE SLACK.