

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)? **Parts manager has no formal parts training, everything they know has been taught by a fellow parts manager in there auto group or they learned on there own.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Yes the dealer ship has a vison statement that statement is - We all want a company that our people are proud of and committed to, where all employees have an opportunity to contribute, learn, grow, and advance based on merit. We want all of our team members to feel respected, treated fairly, listened to, and involved. We want an organization open to change and willing to explore the unexplored. We want satisfaction from our accomplishments and friendships within and to have fun in our endeavors. Above all, we must deliver the highest level of service to each and every customer, for they are the sole reason our organization exists.**
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? **We have not tracked our first time fill rate manually, Our current first time fill rate Is 70.59%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **We are a 50/50 inside vs outside sales. We have a very large wholesale foot print in our province and as a auto group with our other locations we are very committed to being the wholesale giant of Nova Scotia**
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? **Our counter person does not have access in our dms to any of the management reports or the ability to change the part pricing permanently. The only way the counter person can change parts pricing is on a invoice and it will flag as the the original price has been overridden. This way the parts manager can track any discounts or pricing adjustments made by the counter person and they can discuss why it happened**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts manager and parts advisor are the only 2 people who can change parts pricing, service advisors and mangers do not have access to change parts pricing**

7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? [We escalate over retail pricing for internal invoices and service orders, the escalation matrix is based on the cost of the part \(less expensive parts get escalated higher and the escalator goes down as the cost of the part becomes more expensive \)](#)
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 in Canada and we unfortunately do not have any laws like that here. Our OEM set the markup they pay over dealer cost and that is what we have to stick with. We can not petition our OEM on warranty parts pricing](#)
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 manager and Service manager sit down twice a month, once early on in the month and once on the last week of the month to review all work in progress to ensure that everything that can be closed is closed out as soon as possible.](#)
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)? [Parts manager has access to the financial statement and a live doc in pbs to track, We also use a custom created google sheet that shows live gross profit data and that is shared to our parts advisors as well](#)
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?
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?
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?
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?
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?
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?

18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated 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?
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up?
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?
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.)?
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?
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?