

## 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)? **NADA school 2014 / 5 Dealer 20 groups**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **We strive for excellence in everything we do while keeping a servant heart to leave a lasting legacy!**
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 not manually Paragon tracks it current FTFR 91.35%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **90% to 10%**
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? **Permissions are turned off for counter people, they can't override**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Managers only / Fixed ops director**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes retail for internal / Parts manager and dealer partner / yes still 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? **Yes and retail for warranty since we petitioned for it 6 months ago**
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, Tekion throws an error if there's a difference and office manager emails parts manager, office does not verify RO's closed, Service Manager does that**

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)? **No one goes over the financial statement , there is a daily report sequence that parts manager reviews daily/weekly depending on report**
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? **Matrix pricing cross reference Dynatron**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Parts manager does not / we have marketing manager that updates based on new specials monthly etc.**
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 do not have an online store / email leads go to parts manager and he disperses to counter people**
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? **Manufacturer training online**
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 , we have found our accessory line does not do well**
16. What would help you sell more accessories? **No, parts manager does not think so, maybe car covers , illuminated stars, we put all weather floor liners in every new car automatically**
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? **We have a very large partnership with a local body shop chain that accounts for 90% of our wholesale business and looked at annually for review**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Parts manager does not**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **BIN counts afternoons almost daily**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **Yes, "If I had it could I sell it" if I don't have it do a lost sale**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Getting clients to come back in, constant contact needed**

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? **Misorder parts, Mercedes you can't return a part that is under \$10.01, \$26,410 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.)? **We utilize stockpro replenishment tool, so we need to stay on top of lost sale. Phase in / phase out 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? **Parts manager says 8**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Different / better reporting on AR and schedule**