

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)? *MBA, VW Master Parts Manager, FedEx Hazardous Material Certification, CDK Advanced Training*
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? *In a word: Process. K.I.S method by following the same procedure every time*
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?
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? *75% Shop, 20% Wholesale, 5% Retail*
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? *Must have Parts Manager Approval*
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? *Manual Override is Parts Manager Only. Service can apply codes for coupons*
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? *30% over cost has been approved by the Service and Parts Managers*
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? *Retail for Warranty, Petitioned 7/23*
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? *Our process here is strong being directly overseen by the GM. Controller/Office communicates are through the GM*

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)? [Monthly basis Manager 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? [Local Market research and adjusted Quarterly](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Monthly review and update of Coupons/Promos](#)
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? [Leads are sent to a group email that includes all parts advisors and Manager. They are taken care of 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? [Parts Dept. Essential training](#)
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? [For our clients we have online or retail at %8 over cost. Accessorize my VW is the main hub to search for car accessories and see what they will look like on your vehicle. VW Gear store has any apparel or other merchandise you may want to show your love of VW](#)
16. What would help you sell more accessories? [Sales Department showcasing our boutique and Vehicle Accessories ... \(I am hiring an "Accessories Specialist/Delivery Coordinator"\)](#)
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? [Reviewed Weekly](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [\\$1k per day](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Bin Counts](#)
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, we record the demand](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Service follow up and communication to bring back for repair](#)

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? [Service and Sales having parts ordered for sold cars that don't come back or are let go before install](#)
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.)? [3/9](#)
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? [10+](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [A Parts Director for Team Support](#)