

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 online parts class**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **"Driven by Trust"**
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? **Negative Currently at 64%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **71% In house the rest is from outside.**
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? **We currently have a streamline process with a Fixed pricing matrix which is overseen daily by the Parts Manager and Assistant Parts Manager**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **The only 2 people that can override pricing is the Fixed Ops Director and Parts Manager.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Ownership have established set Pricing and yes they are current. We are not at retail ricing for internals.**
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 not at retail. The last time was in 2011**
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 all Managers run the report at month close and submit to the Comptroller/ Office Manager**

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)? **Negative, The Parts Manager is responsible to print the DOC daily once its sent by the office every day.**
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? **Strategy is based on the matrix checked weekly by the parts manager.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **This gets done on a monthly basis. To ensure that we are up to current with hours of business.**
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 one currently. The questions will go to our calling center and redirect to the parts department.**
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? **So every training its provided by Toyota Cornerstone where they get to complete their E Modules and these are completed every month when a new class appears in the system this way their skill are always assessed.**
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 do. We are currently signed up with AIM that its integrated with Toyota Smart path. The accessories are presented at the time of purchase. All declines are signed off by the Sales Manager and customers.**
16. What would help you sell more accessories? **We need a better display we have though about putting one in the showroom so that way we can generate more money and give more options to customers and sell more items.**
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 this is reviewed by the Parts Manager and Fix Ops Director Monthly.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **NO**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Bin and Cycle counts are done weekly. Any variance the parts manager communicates it to the accounting department.**

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **No not tracked.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Getting the customer back in the door.**
- 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? **Our biggest issue is returned parts Current value \$22,000.00**
- 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 Hits in 6 months Factory does not recommend stocking guidelines.**
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? 6
- 25.** What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Training is the key of success specially on a department that is functioning at 70%.**