

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)? **Mercedes, Volvo classes. 29 years of parts experience.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Does not**
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. Current is 97%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **85% to 90% from Inside**
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? **Only Parts Manager can change pricing**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only Parts Manager**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes internal are at retail. Nazar set the policies.**
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? **No, it was done a year and a half 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? **Service manager and parts manager work together to make sure tickets are closed in timely manner.**
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 it is not given to the Parts Manager. Parts manager checks reports daily.**

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 layered for cost of parts. Parts manager checks daily.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Checks orders daily from website. Website checked once a month for relevancy.**
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? **Parts are ordered through eStore which is managed by Acura, Parts Manager receives order notifications.**
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? **Training is available through Acura once every quarter. Additional training is not mandatory and only done as needed when an issue arises.**
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? **Every new vehicle that is sold is required to have an accessory sheet in the deal jacket and signed off.**
16. What would help you sell more accessories? **Better accessory display, accessorize vehicles in the showroom.**
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 several times a week.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Department has to bring in \$1,500 of profit per salesperson.**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Parts manager conveys perpetual inventories and printed out at the end of the month to reconcile with accounting.**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **Lost sales are not being tracked**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Getting customer to come back in timely manner.**

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? **Carelessness, not working the return allowance properly.**
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 3 months phase in. 0 hits in 9 months phase out.**
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? **Train up current employees, more sales training.**