

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)?
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
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)?
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?
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they 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?
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?
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)?
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?

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? Non returning customers from the past way of doing things and the last parts manager not making customers prepay for special ordered parts. 40,407.
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.)? RIM, I send everything back that hasn't sold in 12 months and everything RIM recommends I except.
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? My company lets me run this parts department at a very high level of confidence in my ability and I know if I ever need help from accounting to the GM I know they are behind me in what we need to make this great.

First Time Fill Rate

DEALERSHIP NAME	# OF RO'S	RO'S Filled 1st Time (Right Away)	First time fill rate same day Same Day	RO'S Not Filled Same Day	Actual 1st Time Fill Rate %
10/28/2024	6	4	2	1	66.67%
10/29/2024	1	1			100.00%
11/4/2024	1	1			100.00%
9/17/2024	6	5		1	83.33%
10/3/2024	1	1			100.00%
10/18/2024	1	1			100.00%
10/25/2024	3	2	1		66.67%
11/1/2024	1	1			100.00%
9/25/2024	1	1			100.00%
10/4/2024	4	3	1		75.00%
Totals	25	20			80.00%