

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)? **Center of Learning GM Training. No real training programs.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **To Serve the customer the to highest ability.**
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 proper tracking**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **88% inside 12% 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? **None in DMS. Counter guys need to have Parts Manager authorization**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **All parts personnel. This needs to be authorized by Parts Manager,**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **No, GM/DP current is 45%**
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**
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? **Parts Manager goes through all open invoices two days prior to closing and closes out any open tickets. Works with office and Service manager on any open WIP.**
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 to monthly FS review. Daily 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? **List + 20% being checked once a month via outside vendor**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Not being reviewed by Parts Manager. Internet Dept and DP/GM watch coupons**
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? **Yes, tab through our website which leads to Gm Delco online shop**
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? **GM Center of learning, tests need to be done each quarter**
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? **The Sales Dept take care of the Accessories being offered to customers. We need to put bigger emphasis on making sure we are offering 100% of the time.**
16. What would help you sell more accessories? **Dress up a vehicle and put it on the showroom floor**
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**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **No, We did discuss the formula given in order to calculate.**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Bin Checks.**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **Not Accurately, All counter people now understand and agree on the definition.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Just getting people back into the store.**
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? **Employees not understanding that some parts can not be sent back therefor they stay. Our current is \$3368**

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.)? **GM RIM recommendation**
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? **9**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Let the Parts Manager manage the Parts Department.**