

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)? **International Truck Parts Management Training, Hino Trucks Training, Cummins Management**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No**
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? **Yes, we have recently started doing this. Believe it is 71% currently.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **It is 75% counter/wholesale and 25% service as we have seen this year.**
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? **The counter and back counter reps are required to ask the Parts Manager for price adjustments and are password overrides. OPS have a more flexibility in pricing on their assigned customers.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Manager and Asst. Mgr., Service Advisor with requested permissions.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **No, we are not. Parts Director for Corporate. Yes**
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? **Not in all OE cases, International and Hino are close to retail, our other OE's are less than that.**
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, with weekly meeting reviewing all the 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)? [Yes, we review in our monthly meetings.](#)
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? [Our OE sets our pricing, all makes we use an escalator.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Quarterly](#)
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, we have an assigned person.](#)
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? [Yes, we offer training and it is mandatory. Annually](#)
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 have a Fleetrite program.](#)
16. What would help you sell more accessories? [Inventory on hand.](#)
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? [Most of our fleet customers are factory pricing set up by the OE.](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [\\$3700 a day](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Monthly cycle count](#)
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, it is in process as we have new staff.](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Customer response time](#)
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? [Improperly ordered parts due to lack of experience](#)

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.)? [Handled by DIA through our OE.](#)
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? [Currently a 6 as we have only been on Proceed for less than a year.](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Additional employees, more transparency from corporate, IT.](#)