

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)? **Self-taught, some training online (SubaruNet) and Mercedes-Benz certified**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **"Take care of the store, the store will take care of us"**
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, Subaru 92.8**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
Mix 83% inside and 17% 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?
Only management has access to changing the price
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
Service Director and parts manager
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
No, above. The general manager and parts manager established our internal parts pricing policies. Yes, the are 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?
Yes, we are at retail for warranty
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?
Monthly reconciliation with the controller and weekly with the 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)?
The financial statement is not given to the manage but he DOC is provided

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?

The pricing strategy is high percentage of gross profit and this is checked monthly to ensure the pricing goals are achieved

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?

The web page is audited monthly

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 a designated online parts representative

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?

There is mandatory training via SubaruNet but an in person training is preferred

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, accessories are offered throughout the sales process and even after the sale is complete by the delivery specialist

16. What would help you sell more accessories?

Marketing and we have a plan to implement a designated parts accessory representative in 2025

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, these are reviewed with every sale

18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?

"I do not"

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?

Perpetual counting and through monthly reconciliation

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, sell it, order it or lost sale it

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up?

Getting customer back in

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?

Service department is the biggest cause of frozen capital and/or obsolescence. Subaru has about \$7000 in obsolescence

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.)?

2/6 is the phase in strategy and it is cross referenced with the DMS

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?

8- could lean more

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?

Training