

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)? **Zero.**
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? **No...75%.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **70/30.**
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 the parts manager and Service Director have access to change pricing in the computer system.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only the Service and Parts Manager can change or override parts pricing in the system.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes.. we are. I established the current pricing (Darin Glinski) and they 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? **Never.**
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 and Yes..just 3 invoices.**
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, but he will be given a copy starting this month. 01/2021**

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? **Everything offered at factory MSRP. It is checked monthly by the parts manager.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Never. Coupons, hours of operation etc. are done daily.**
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. All leads are answered as soon as received by the parts manager. If he is off, the service manager does it. All leads go directly to the parts manager and the service manager via email and text. The leads also shows up in the sales CRM.**
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? **Acura online university. It is mandatory for certification, but it is rarely tested by upper management.**
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, all customers are walked through our boutique before the sales "write-up" process begins. After the sale, all customers are introduced to parts and service personnel. All customers are also shown a list of all available accessories along with pricing.**
16. What would help you sell more accessories? **Better devised displays and better Acura participation. Virtual accessories so the customers could see what their vehicle would look like with "cool upgrades."**
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, but not very often.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **No**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Perpetual bin counts/inventory. Variances are communicated via email as well as verbally to our Business Manager, Service Manager and GM.**

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. A lost sale is a part that we can't get for a customer immediately or on the same day.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **The customer not coming in to pick up their part.**
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? **Special order returns. They total \$9935.54**
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.)? **No sales or hits in 50 weeks. 1 or 2 sales in 13 weeks or if a technician requests that we carry a part based upon his previous work. Otherwise...we don't carry in stock.**
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? **6-7.**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Parts Management training.**