

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)? **NADA AND FACTORY CLASS**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Yes, Departmental profit reports with goals.**
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 we have not.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **RO 30%...INTERNAL 100% WARRANTY 25% BODY SHOP 0%**
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? **Employees are set up in dms according to their qualifications.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Anyone with a manager title or trust by management.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes piecing is at retail, Parts director establishes pricing.**
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? **Yes management makes sure invoices and repair orders are closes. It looks clean and up to date.**
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 AND YES they both are giving to the parts manager**

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? **Pricing strategy is a parts grid. Goals are checked monthly.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **We audit our web page 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? **No online store,**
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? **Factory training is available for parts employees, and made mandatory . skills are used daily.**
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? **We use factory software (AIM)**
16. What would help you sell more accessories? **We would need more presentation.**
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, we closed wholesale.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Yes, I do know.**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **I do monthly reconciliations**
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 lost sales are tracked on DMS, Yes we have common definition with all parts people. If we don't have it when requested, it's a lost sale.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **We don't have any obstacles getting parts off the shelves.**
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? **Don't have an obsolescence. \$1,200 is the current dollar value.**

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.)? **3 in 9 / 1 in 8**
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? **Attend NADA groups.**