

## 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 PARTS MANAGER IN PHOENIX AND THIS ADVANCED PARTS MANAGER CLASS**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **NO BUT I WILL BE CREATING ONE, I LIKE SERV ALL CUSTOMERS THE CORRECT PART AT THE CORRECT TIME EVERYTIME WITH A SMILE.**
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? **I HAVE DONE IT MANUALLY AND IT DOES SEEM TO BE TOUGH WITH 9 COUNTER GUYS BUT I DID COME UP WITH A 92% FILL RATE ON TWO SEPARATE TIMES DOING IT**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **70%**
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? **GROSS PROFIT% IS CLEARLY SEEN ON EVERY PART BILLED, AND I RUN CSR PRODUCTIVITY REPORTS THAT SHOW DISCOUNTED TRANSACTIONS**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **PARTS DEPT ONLY**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **RETAIL ON ALL HARD PARTS AND 25% OVER COST ON ACCESSORIES. UPPER MANAGEMENT CONTROLS THAT MARK UP TO OUR INTERNALL DIVISIONS**
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? **TOYOTA PAYS RETAIL MSRP FOR MOST ALL WARRANTY, THERE IS A EXCEPTION ONCE IN AWHILE**
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 I THINK WE DO WELL ON CLOSING ALL RO'S ON A TIMLY MATTER AT THE END OF EACH MONTH WE MAKE SURE EVERYONE THAT ABSOLUTLY CAN BE CLOSED IS CLOSED**

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 IT EVERY MONTH AND I GET A COPY OF IT TO KEEP**
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? **I LOOK AT THIS EVERY MONTH AND WE REVIEW THE % AT THE MONTHLY FINANCIAL MEETING, WE STRIVE TO BE AT THE SAME GROSS PERCENTAGE AS THE RO %**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?**PARTS DEPARTMENT DOES HAVE LANDING PAGES ON BATTERIES , WIPERS , TIRES , BRAKES ALL WITH INSTALLED PRICING**
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?**WE NO LONGER HAVE A PARTS ORDERING WEB SITE**
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?**TOYOTA HAS UOT AND PARTS STAFF NEEDS TO BE QUALIFIED EACH AND EVERY YEAR**
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 EVERY CUSTOMER IS PRESENTED WITH ACCESSORY OPTIONS . THIS IS ALL PART OF THE SALES PROCESS. OUR SALESPEOPLE MAKE 10% OFF EVERY ACCESSORY SOLD AT THE TIME OF THE DEAL.**
16. What would help you sell more accessories? **I THINK WE DO WELL BUT I WOULD LIKE TO DISPLAY MANY MORE ACCESSORIES GOING FORWARD**
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 DO PAY ATTENTION TO RETURNS , AND ALWAYS WATCH OUR GROSS % WITH EVERY ACCOUNT AND OFCOURSE OUR SALES NUMBERS ARE CONSISTANLY REVIEWED**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **NOT YET BUT NOW THAT I KNOW HOW TO DO BREAKEVEN ANALYSIS AND BREAKEVEN ACTUAL PERFORMANCE WE WILL**

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **I WILL NOW START REPORTING ALL MANUAL ADJUSTMENTS NEGITIVE AND POSSITIVE TO MY OFFICE**
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, MY FINAL ACTION PLAN WAS TO MUCH IMPROVE ON LOST SALES GOING FORWARD. I THINK I HAVE A BETTER PROCESS AND MY COUNTER GUYS SHOULD BE RECONIZING LOST SALES EVERY TIME**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **SOP NOT BEING PPD. APPOINTMENTS NOT BEING SCHEDULED WHEN THE PART IS ORDERED. CUSTOMERS NEVER COMING BACK FOR THERE SOP.... FREE WARRANTY WORK AND THE CUSTOMERS NEVER COME IN FOR THE REPAIR...**
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? **UNDER 8.00 DOLLAR PARTS ARE NON RETURNABLE TO TOYOTA..... \$4.200**
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.)?**3/9**
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**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **STAFFING CONCERNS ... NEED POSSIBLY MORE PARTS COUNTER HELP**