

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 ACADEMY PARTS - FORD MOTOR COMPANY PARTS/MANAGER MASTER CERTIFIED**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
"DRIVEN TO INSPIRE!" (WITH EACH LETTER IN "I.N.S.P.I.R.E" REPRESENTING PARTS OF OUR MISSION STATEMENT.
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, FOR VARIOUS EXERCISES. 82.5%
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
90/10
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?
NO CURRENT CONTROLS. ALL COUNTER PEOPLE ARE TRUSTED TO MAINTAIN AND CONTROL DEPARTMENTAL GROSS PROFIT.
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
SERVICE DIRECTOR AND SENIOR SERVICE MANAGEMENT.
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
YES - RETAIL ON MOST PARTS, BASE MARK-UP ON TIRES ESTABLISHED & REVIEWED BY SERVICE DIRECTOR, PARTS MANAGER AND RECENTLY REVIEWED
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?
WE ARE A RETAIL WARRANTY DEALER IN FLORIDA AND RECENTLY HAD AN OUTSIDE PARTS MARK-UP REVIEW.
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, WE WORK WEEKLY TO REVIEW W.I.P. AND GO OVER "FROZEN ASSETS".
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)?
FINANCIAL STAT
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?
WE MAINTAIN AND REVIEW AN M.S.R.P. POLICY FOR ALL RETAIL AND ACCESSORIES SALES AND IT HAVE BEEN REVIEWED WITH MANAGEMENT ROUGHLY QUARTERLY.

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

GENERALLY MONTHLY. UPDATES ARE PERFORMED AS NECESSARY.

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 DO NOT HAVE A HARD PARTS ESTORE AS SUCH. WE DO HAVE ONLINE VEH. ACCESSORIES SUPPORT.

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?

ALL PARTS PERSONNEL ARE REQUIRED TO MAINTAIN FORD COUNT. CERT. THIS INCLUDES SOME SALES TRAINING.

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 DO. SALESMAN BRING CUSTOMERS TO OUR "PARTS & PERFORMANCE CENTER" TO BE INTRODUCED TO OUR STAFF AND DISCUSS PRODUCT & UPGRADES

16. What would help you sell more accessories?

I FEEL THAT YOU CAN NEVER HAVE ENOUGH CURRENT AND WELL MAINTAINED DISPLAY AREA!

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?

PERIODIC CONVERSATION AND REVIEW WITH WHOLESALER COUNTERMAN WHO IS VERY "IN-TUNE" WITH THESE CLIENTS.

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

YES - AVERAGED OUT BY COUNTERMAN

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

DAILY / WEEKLY CYCLE COUNTS, NEG. ON HAND. ZERO STOCK REPORTS / REVIEWS. MEET DAILY WITH ACCOUNTS DEPT. PERSONS.

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. NOT AS COMMON AS WOULD LIKE. WORKING ON THIS WITHIN ACTION PLAN. A PART NOT SOLD THAT WOULD HAVE BEEN SOLD IF AVAILABLE

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

COMMUNICATION AND DISCIPLINE. CLEARER COMMUNICATION WITHIN DEALERSHIP STAFF AND CUSTOMERS, ALSO THE DISCIPLINE TO WORK THE PROCESSES.

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 PARTS / ORDER ERRORS DERIVED FROM CUSTOMER NO SHOWS, MISTAKES & ERRORS WITH STAFF

30K OVER > 13 MOS.

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.)?

PHASE IN ADJUSTED TO SOURCE. STANDARD PHASE IN IS: 2 IN 6 - PHASE OUT IS: NO DEMAND FOR 6 MOS. / 12 MOS AGE W/ AVG. DEMAND OF 1 IN 6

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?

8.5 - 9 ROUGHLY

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

THIS I IMAGINE WOULD BE THE MOST COMMON ANSWER. PHYSICAL SPACE. "LOL"