

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)? **None before this class.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No , not at the moment but we need one**
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, ftfr right now is 68% probably**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **70% internal 30% over counter / wholesale**
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 manager logins can change with a code**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only parts employees with manager approval**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes, the General Manager , yes**
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 do the GM parts bump the competition almost daily.**
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 have a manager meeting once a month to go over all issues and orders that need attention.**
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 , there is not a lot of discussion maybe once a month.

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? Yes the matrix is 120% of list price. We check once a month.
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? Never have until the NADA class, we need to do updates.
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.
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? We have the GM online training available. Yes everyone has to do it each month.
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 have accessories available or can be ordered for all customers.
16. What would help you sell more accessories? A boutique to show them , more advertising.
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? We have not this year, but will be implementing that.
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? \$1,076
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? We do bin check 1 time a month , should do it more, we need to tell the office, that is one thing I learned in NADA.
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 they are, if we could have sold it right then we put it in the system as lost sale.
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? Customers coming in for service appointments

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? **No return customers, GM rim program is bad for smaller dealers. \$36,000**
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.)? **GM still makes you stock even if you are not rim approved , as parts we are doing our part but we rely on service and the bdc as well to meet rim requirements.**
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? **4, I have had no training**
24. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Listen to what they need, and actually follow through with helping, I have been listened to so many times but hardly acknowledged, it is frustrating.**