

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 training, Ford master certification, Counter person master certification, Wholesale Parts master certification, STAR 12 seminars.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No vision statement at this time.**
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? **We have not tracked FTFR manually.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **93% Inside/ 7% outside.**
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? **Master Inventory and Accounting are password protected.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Manager and assistant Manager.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **We wholesale Internal, parts manager and general manager.**
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 have not petitioned for retail yet. We are working on increasing GP % first.**
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? **Parts does not, the service and body shop managers work with the office monthly on their open RO lists.**

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)? **We are given copies of our departments FS but is not discussed. I run daily reports sales summary for the parts department at the end of the day.**
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 are currently working on implementing a matrix pricing system. We price MSRP as of now.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **We have an internet person who reviews and updates regularly.**
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 an estore set up.**
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? **My counter person is master certified through Ford Motor Co. and is required to keep his certification. Skills are refreshed through that process.**
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 not have a process for new and used. Ford has now offered reward pts for new car purchases and service visits that have helped accessories sales.**
16. What would help you sell more accessories? **Salespeople introducing new customers to parts dept.**
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 review our wholesale accounts anually.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Actual breakeven is 1178.00**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Monthly Bin counts. We do not have a good process in place for communicating variances to accounting. We are currently working on that as well.**

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **We have not been tracking lost sales.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Communication between SA and customer.**
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? **Not getting customers to come in to get part installed. Current value is \$40,882.00.**
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.)? **We are currently working towards enrolling in RIM and implement a phase in/out strategy.**
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? **7**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Free up more space and install shelving/drawers for properly stocking small items, hardware, etc.**