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 course. Mitsubishi online courses, KPA courses

2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
   Availability and ease of doing business

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 do not track the first-time fill rate manually, our current repair order FTFR is 94%

4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
   Ro/ Internal/Warranty is %56.9
   Counter Retail / Wholesale is %43.1

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?
   Limited access on the DMS for each employee

6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
   Parts Manager, General Manager

7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
   Yes, we are at Retail Pricing, General Manager established the internal parts pricing. Yes, they are current

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 in a retail reimbursement for warranty state. 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, the Parts manager works with the controller monthly to follow up on all work in process and they verify all the parts invoices and repair orders are closed out in a timely manner.

   It's a very smooth process that ensure everything is done right and counted for in the business office.

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, the financial statement for the parts department is discussed on a Monthly basis with 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?

    Retail pricing is based on matrix, We Check weekly to see if our pricing goals are being achieved.

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 dealership's parts web page monthly, coupons updated every month, hours of business every quarter.

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?

    Yes, we have an online store, Parts Manager, Parts Counter Sales and the GM gets the email.

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?

    KPA Training, Mitsubishi Motors online training, yes, it is Mandatory, we refresh sales and skills quarterly

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, we offer accessories %100 when we sell a new car. It helps a lot the Parts Department to see more accessories and to have more customers.

16. What would help you sell more accessories?

    If the accessories are automatically added to the vehicle.

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 review our wholesale customers once a week in the managers meeting.

18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?
Yes $3399.00 Daily

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?
Perpetual Inventories (Bin Counts) We communicate variance daily to the accounting 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, we track our Lost sales on the DMS, The Parts Manager definition that all the counter people understand is (If it's not on the bin, 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?
Communication with customers is our obstacle.

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?
Wholesale is the biggest cause of frozen capital and obsolescence, Our Obsolescence current dollar value is $42721.46

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.)?
All the Phase in / Phase out is manager by a company called (Parts eye)

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?
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25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?
Invest in NADA Training for all whole Parts Department employees, especially the Parts Manager.