

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
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? NOT 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? NOT WITH CURRENT DMS
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? 80% INSIDE 20% 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? DMS IS SET UP TO LOCK CERTAIN CHANGES AND ALL PRICE ADJUSTMENTS MUST BE APPROVED BY MANAGER
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? PARTS MANAGER AND SERVICE MANAGER
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? YES INTERNAL IS AT RETAIL PRICING SETUP BY PARTS DIRECTOR AND IS STILL 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?
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 ALL DEPARTMENT MANAGERS WORK DAILY TO CLOSE WIP DOCUMENTS AND MAKE SURE EVERYTHING IS CLOSED BY EOM
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)? NO. DAILY OPERAING REPORT CAN BE VIEWED IN DMS

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? SETUP BY OEM AND CHECKED BY MONTHLY PROGRESS REPORT
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? IT DEPARTMENT REVIEWS MONTHLY
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 CURRENTLY DO NOT HAVE AN ESTORE ACTIVE
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? OEM PROVIDES MANDATORY TRAININGS THAT MUST BE COMPLETED QUARTERLY AND THERE ARE OTHER TRAININGS AVAILABLE. SKILLS ARE ASSESSED, AND TESTED WEEKLY
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 CURRENTLY HAVE A PROCESS WHERE THE SALES PERSON OFFERS EVERY CUSTOMER THE OPTION OF ACCESSORIES AT THE TIME OF PURCHASE AS WELL AS LATER
16. What would help you sell more accessories? BETTER DISPLAY, MORE OPTIONS OF DISPLAY ITEMS, AND MORE ROOM TO STOCK ACCESSORIES
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? CURRENTLY DO NOT HAVE WHOLESALE CUSTOMERS
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? NO I DO NOT
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? WE DO PERIODIC BIN CHECKS AND MAKE ADJUSTMENTS IN OUR DMS
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 DO. LOST SALES ARE ANY ITEMS THAT COULD BE SOLD AT ANY TIME THAT ARE NOT CURRENTLY IN STOCK

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? OUR CURRENT BIGGEST OBSTACLE IS GETTING IN TOUCH WITH THE CUSTOMER AND GETTING THEM TO COME BACK TO GET THEIR SOP PARTS.
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? BIGGEST CAUSE WOULD BE SPECIAL ORDER PARTS NOT BEING PICKED UP- DON'T CURRENTLY KNOW DOLLAR AMOUNT
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 AND OUT IS ALL MANAGED BY RIM
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? CURRENTLY USE TEKION AND DO NOT KNOW HOW TO ACCESS THESE REPORTS
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? MORE POSITION BASED TRAINING AND MORE BACKGROUND BASED INFORMATION FOR POSITION