

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.**

What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)? **Mercedes Benz parts managers training Porsche and JLR also CDK parts managers training would love to do a NADA parts managers training**

1. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Needs to be updated**
2. 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? **Never manually always DMS our FTFR will range between 86% and 90%**
3. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **80 to 85% Inside and 20 to 15% on retail and wholesale**
4. 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? **Parts personal have restricted access to price changing thru our DMS and corporate setup they can change prices for customers but do not have access to cost**
5. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **None**
6. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes we are retail for internal and corporate with approval thru management, yes they are current**
7. 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 in the process for warranty reimbursement will be completed next month. Never petitioned retail reimbursement**
8. 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? **We have a weekly asset meeting Parts Service Office manager and GM, WIP and warranty**

9. 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 have one daily DOC**
10. 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 need to work on this and get better at it**
11. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Monthly more if needed**
12. 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 have an e-store goes thru daily Parts Manager gets emails and questions**
13. 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 quarterly testing and training thru carlines tested daily and assessed by performance reviews**
14. 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 need to work on this and get better accessories are available need more training thru parts sales service team effort**
15. What would help you sell more accessories? **Sales and training**
16. 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, monthly**
17. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **No, haven't been, but this would be beneficial.**
18. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Daily bin checks, variance reports, reconciliation reports, trending reports all go to corp**
19. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **yes**
20. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Communication with service and with customers**

21. 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....\$32k**
22. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? **Use Phase In/Phase out strategy by brand/sales/RIM**
23. 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? **9**
24. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **1) support 2) bigger building**