

## 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?

**: No**

**But it will be done effective 1/2022**

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?

**: Did so but not until I started this Course our FTFT is about 64% overall**

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

**: Inside 73% vs Outside 23%**

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?

**: Manager Access Only**

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

**: Service and Parts Manager Only**

7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?

**: No cost + 20% GM and Parts manger will review moving forward.**

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?

**: NA we are currently looking into this together**

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, No RO open over 10-day period unless back-order part.**

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)?

**Reporting is done by Parts manager but moving forward the statement and bi weekly review.**

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?

**NA by parts manager but will have this in writing effective 1/2022**

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?

**Every Month**

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?

**No we don't**

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?

**Training available thru OEM page and it is mandatory, new Parts Manager to create a internal training process as well.**

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 are in the process of putting in place a great process that both parts and sales staff must follow and can earn great bonuses from.**

16. What would help you sell more accessories?

**Visuals, Training and Motivated Staff**

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?

**Every quarter**

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

**No but chart was provided and will know moving forward**

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?

**Counter have no access to change + or - and Parts Manager reviews with accounting weekly**

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition?

**No but will be implemented asap 1/2022**

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up?

**Not a huge issue here we ask for deposit or Pre Pay**

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?

**OBSO is 31k**

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.)?

**No 3<sup>rd</sup> party company at the moment but this is priority to due for new Parts Manager and I 01/2022**

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?

**Me = 6**

**Parts Manager = 7**

25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?

**Provide constant Monthly reviews of not only Gross progress but Personal progress and offer all available training.**