

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? **Deliver 95%+ SDFR by our committed, professional parts team.**
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. Currently 84.58%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **83.1%**
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? **No access is given to any inventory control screens in the DMS. All price adjustments are exclusively done by the PM.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **SPD, PM, 2 parts countermen.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes, we are. The GM. Yes, they are.**
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 at retail +.**
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 PM and the SPD review R/O's daily and at month end.**
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 both are provided and discussed with the GM weekly.

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? The strategy is built into the matrix pricing. It is reviewed weekly by the PM.
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? The web page is reviewed and updated weekly with Dealer.com.
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? Not yet. We have enrolled with Simple Part. Presently, only the PM receives inbound leads.
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? We have OEM training, and in house training. Formal skills training is coming in 2022.
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? The sales team present accessories in the main showroom. Our parts department is ~1/4 mile away.
16. What would help you sell more accessories? Our Coming e-store. Better focus on presenting our offerings.
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? Really, not as often as we should.
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? Yes, \$3,778.
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? We are doing a monthly reconciliation with our controller.
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, and yes. We are defining a lost sale as something we cannot fill same day.
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? Getting customers back in.

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? [Special order parts. \\$3,393.00](#)
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.)? [Phase in is generally 3 in 9, phase out is 3 in 12.](#)
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? [~7.5](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Send them to parts class. He is going in 2022.](#)