

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)?
GM Training path since 2005, cert. Springdale TN Training, NADA Parts Training
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
Yes/ no not all employees understand.
Our customers are the only reason we exist, we cheerfully provide for their automotive needs and wants. Through a sense of urgency, we will provide that every customer is an honored guest in our home. We will accomplish this by doing what is right, doing the very best we can, and by treating our customers and our fellow employees the way we want to be treated. We will work together as a high performance team headed down the road, because we understand that: Together Everyone Achieves More. T.E.A.M.
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, not in parts retail
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
67% Inside and 33% 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?
Only 2 people Parts Manager and Assistant Parts Manger
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
Parts Manager and Assistant Parts Manger
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
No. CDK when we changed over 9 years ago, No
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?
No, July 2021

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/ Yes/ We look at any open RO over 14 days and try and get those closed immediately

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 financial statement provided each month

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?

3 levels: Full Retail-walk ins front counter, list minus 15% commercial, cost plus 10% employee and dealer to dealer

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

Not at all we do not have one

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 through GM we went live Dec. 4th 2021. No systems in place round robin on front counter

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?

EPIC Parts Training, GM Training required to be completed 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?

NO, didn't find it to be profitable years ago

16. What would help you sell more accessories?

Better sales and parts processes

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?

We have commercial customers list minus 15%

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

Do not know has not been evaluated recently

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

Parts Manager is the only one who has ability to change quantities. Pre Inventory is complete 90 days prior to yearly inventory. Variances are completed yearly and communicated by inventory company to 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/ yes/ lost sale is if we don't have a part at time of sale and have to order it

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

Getting customers to come pick up /install part once it arrives

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?

SOP. \$166,004.00

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.)?

3 request within 9 months / RIM suggested orders daily and accept what they want us to stock

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?

Assistant parts manager to train and not have to work parts counter to effectively learn day to day operations