

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)? **No formal management training. Mostly parts classes when with Volkswagen and Audi.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **We haven't come up with anything yet.**
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? **Probably less than 10%. With the shortages and logistics problems we are having it has become difficult.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **85%**
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? **I am the only one that can change prices. All changes have to be approved and done by me.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Scot would be the only other person that can change pricing.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **We are currently at cost plus 20 for internals.**
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? **Ford sets our warranty prices below 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 process could use some streamlining but it is working.**

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)? [Not currently.](#)
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? [I certainly try to price everything at retail for maximum profit. Wholesale and internal excluded.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Not often.](#)
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 sell parts online via Fordparts.com and OEConnection. There is a flag on every parts persons computer showing that an order was received. There is also an email sent to our \[part@lufkintxford.com\]\(mailto:part@lufkintxford.com\) mailbox that all parts personnel can access.](#)
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 online training provided by Ford via the STARS program and through Reynolds and Reynolds.](#)
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 all have access to Ford accessories and outside vendors if needed. We can get just about anything and have it installed on site.](#)
16. What would help you sell more accessories? [I think a better stream of new vehicles would be the biggest help.](#)
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? [Yes. I keep track of all of those.](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [Not currently. Supply chain and logistics problems have made that hard to give a solid number.](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Weekly spot checks throughout the department and bi-annual inventories.](#)
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. Any part that we cannot sell to a customer in an agreed upon timely manner will constitute a lost sale.](#)

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Parts component shortages.](#)
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? [I am still learning this brand and the customers in this area. I'm seeing some trends that I'm keeping tabs on.](#)
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.)? [I use the Reynolds DMS strategy that was in place previously. Parts availability is making it very difficult to to maintain guidelines.](#)
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? [3/10. I've used a different DMS for the last twenty years so I'm learning.](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Maintaining effective communication between departments is always paramount to keep every ones job at maximum efficiency.](#)