

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, on the job training
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
Dealership Group, (1. We exist to help our family, friends, and community enjoy every stage of life.
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 manually – Reynolds provides us with a report that seems to be very accurate. LM 88.05
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?
20% Outside 80% internal
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?
None, trust and tenure from the team member has always been first. Parts manager reviews often discounts and deviations, typically weekly.
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? Parts team members only
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? Retail price structure, 2022 was the last time it was reviewed
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, and 2019
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?

Parts manager reviews all invoices monthly with the office to make sure it is closed every month.

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)?

We did in the past however we use Reverse Risk as we feel this provides more up to speed data.

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?

Retail pricing and to hit NCM benchmark

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

No coupons, and 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?

Parts manager gets all etstore order forms and queries and handles them.

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?

Manufacture training, otherwise once a year reviews.

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, we do not offer as many as we could on used, also we could do a better job on new

16. What would help you sell more accessories?

Having the sales team present accessories on every order vehicle vs when they pick the vehicle up.

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 they are reviewed annually with ownership and the parts manager.

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

\$2300 in sales, reviewed monthly and annually.

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

Perpetual inventory, every 3 months- and annual inventory.

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, we do track them with Reynolds. If we could not provide the item to the guest in the allotted time, however with back order parts that's hurt our lost sale numbers.

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

Not being prepaid, overall, our store does a pretty good job.

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?

Bodyshop returns and not prepaid parts.

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.)?

3/9 is our stocking strategy with factory parts, we order directly no manufacture tool provided.

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?

9, I can always get better and learn. We are always have a new way of doing things.

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

Accessories preloaded as a package on almost every new car.