

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 training, has had just training from Land Rover courses.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **If you were the customer how would you like to be treated?**
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 just on the previous exercise. 80%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **70.5% inside / 29.5% outside
37.4%(CPRO), 28.2% (WRO) , 4.9% (INT) / 3.6% (RETAIL) , 25.4% (Wholesale)**
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, all parts countermen can change, Parts Mgr. Reviews in the exception report**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts dept and GM**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes, Retail Pricing internal, GM sets pricing**
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, cost + 79%**
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, all Managers review at end of month with GM and Controller.**

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)? [Weekly spread sheet , we have a meeting every Monday with Owner and all Managers to review current numbers and where we expect to Finish at the end of 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? [Matrix Pricing and monthly review.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Every few months](#)
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 online store, Parts Mgr. and Countermen get requests and respond daily.](#)
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? [Elearning from factory, in person classroom training is just starting to resume.](#)
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? [Yes , Salesman offer accessories, we dress up showroom vehicle when inventory allows us. Also Service Advisors offer accessories to service customers.](#)
16. What would help you sell more accessories? [More new vehicles to put accessories on display](#)
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 bi-monthly](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [Not each day , but we do track gross profit weekly.](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Perform bin checks 3-4 months and outside inventory company performs inventory once a year. Final inventory given to 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? [It was not, just started since GM returned from last parts class at NADA. Lost sale is a requested part that we did not have that was not ordered or sold that day. If part is picked up at another dealer it is not a lost sale.](#)

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Advisors communicating with customers.](#)
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? [Service dept ordering parts for customers and then not bringing customer back for install. Also wholesale customers returning parts. Current Obsolescence \\$37852.70](#)
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.)? [Factory Rim being used. Phase in 3 sales in 9 months, phase out no sales 1 year since last time part came in](#)
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](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Communication . We are currently trying to improve.](#)