

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)? **Dale Carnegie, Dealer Pro Master Certified, GM Center of Learning, and Disney Training.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Yes, "To be the BEST automotive sales and service operation in every market we serve."**
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? **Never manually, just with our DMS.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **60% inside/ 40% 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? **We have a very high trust factor with our counter staff and they have the autonomy to adjust prices not below 47% markup over cost.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only the Parts Manager and the counter staff can adjust prices.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **We are at Retail parts and labor for internal repairs unless special circumstances require deviation.**
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? **An outside company was hired by our group to evaluate all of our stores and our latest increase was 7/1/22.**
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? **A mini-inventory sheet is sent monthly to our CFO and Office Manager on an excel spreadsheet created by our CFO.**

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)? [The DOC is ran every morning by Parts Manager and reviewed and shared with staff daily. Access to the financial statement is available at any time.](#)
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? [We use a pricing matrix set by the Garber Parts Director. It is reviewed annually at our roundtable and adjusted if necessary.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Monthly, through portals developed by our Digital Team.](#)
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? [No store, our leads are taken by our Service BDC and directed to appropriate personnel.](#)
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? [GM Center of Learning. No formal training or assessments currently.](#)
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 staff has ADS through GM available on their computers and do a great job of promoting the products.](#)
16. What would help you sell more accessories? [If we participated in online offers and coupons. Also, internal promotions in the service lane.](#)
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 very little wholesale business as one of our local sister stores has a huge wholesale operation.](#)
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [Yes, when the DOC is presented daily it shows what numbers we need daily to remain on pace.](#)
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [We do periodic bin counts and adjustments which are communicated through our DMS.](#)

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, by our DMS. Yes, if it doesn't come off the shelf it is a lost sale.**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **We don't really have an issue with getting SOPs off shelves. All filled orders are turned into BDC and are called and returned in 45 days.**
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? **Obsolescence isn't an issue for us, our current value is \$1,040.19.**
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.)? **All SPOs are returned at 45 days. All stock is returned at 16 months per manufacturer.**
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? **Probably an 8. We have great support intercompany if I need help.**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Our company provides Department Managers full autonomy to run the department as their own business. The support is amazing intercompany and honestly if a manager can't do the job effectively it's on them.**