

## 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)?  
*Multiply MFG Training + NADA - Samsies*
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?  
*NO - NO*
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 we track thru RFR - ASKED*
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?  
*Maz 86.5 in 13.5 CWS LA 87.1 in 12.9 CWS - ASKED*
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?  
*E-mail Approval Procedure - MANAGERS ONLY HAVE ACCESS*
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?  
*Director/Mgr approval for Advisors - ASKED*
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?  
*Service + Parts Director yes - WOULD LIKE TO BE CONSISTANT ON CHARGING RETAIL & LESS SPECIAL 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 updated Both Brands 2022 - YES*
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?  
*Service + Parts Director with service mgrs - SVC + Pts Director go over monthly w/ 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)?  
*Yes - YES*
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 from Group Strategy - ASKED  
 Monthly Review of Departmental Performance  
 To Budget + YTD Results*

12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?  
*Quarterly with Marketing - NOT often enough / should be monthly*
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?  
*E-mails to entire Parts Team - yes we do. ~~no~~ Response time is unacceptable*
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?  
*None currently - NOT from the manufacturer at the moment*
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?  
*Sporadic with Mags - ASKED*
16. What would help you sell more accessories?  
*Marketing Dept to focus on aftersales - ADVERTISING AND response time.*
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?  
*No return Policy - ASKED*
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?  
*NO - YES \$2458.00 per day to breakeven*
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?  
*Parts Rec/cycle Counts YES - PARTS TO PARTS - PHYSICAL INVENTORY - Bin Count*
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 - Not regularly.*
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up?  
*Tech availability Sales Dept need keys - Communication from the parts dept to client.*
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?  
*No returns available from MFG, ISO Purchases, Mandatory Purchase - ASKED*
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.)?  
*See IRE There are NO ARO - ASKED*
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?  
*8 5*
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?  
*Create written Procedures & follow them  
 Use industry standards/CAK Procedures  
 - KEEP THE MANAGERS / Employee accountable for their actions.*