

## 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 Prior to Nada seminar. **NADA ACADEMY SEMINAR FOR PARTS**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? No. **UNFORTUNATELY, WE DON'T HAVE A VISION STATEMENT**
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? Currently, switched to a new DMS system. It is checked manually. 80%. **60 %The % is skewed with oil changes and recalls etc.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? 80% inside vs 20% 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? **Only the parts manager has the login capability to override pricing NOT the counter reps.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? Parts pricing can only be changed by the Parts Manager.
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? No retail pricing for internal. **This policy was established prior to the current Parts Manager.**
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? We were not at retail for warranty, we petitioned the OE for retail reimbursement. **As of 12/5/22 WE ARE AT RETAIL FOR WARRANTY.**
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? NO. ITS not followed upon in a timely manner therefore there are several overaged WIP'S. **IT'S A MESS.**

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 given to the parts manager and reviewed in the managers meeting every Tuesday.**
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 check my pricing daily and compare it to competitors to make sure that I am competitive.
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? The link to the parts department was disabled due to issues with ecommerce. **Hours of operation are listed on the home page with the service department.**
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 estore. Most leads are sent via chat.. through our internet dept.
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? No sales training. **Needs to be changed immediately and assessed daily.**
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, No answer
16. What would help you sell more accessories? A true 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, monthly
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? Not each parts sales person but the department itself. Since switching the DMS, figuring out the expense reports for parts and the transfer from service has been unclear.
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? Inventory audits are in place and any variances are communicated and given to the comptroller.
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? Tracked differently with Tekion. Yes, I do. Lost sale is a part that is not currently in stock at the time it is needed.

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? Setting the appointment to come back and get it installed.
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? Aged Parts \$199,678
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.)? Watch it daily and at 13 months I return for \$\$
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? 10 /7
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? Backordered parts with GM have been a huge problem. This is beyond our control as in the organization but it has definitely put a huge strain on the parts side of things which in turn effects service.