

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)? **Randy Has over 30 years of parts manager experience**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No we don't. Why don't we I ask?**
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? **Yes He looks at it monthly and right now we are at 74.33% FTFR**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **Inside is 71% and outside/wholesale is 29%**
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? **Our pay structure and bonus structure insures the employees will not change pricing. We pay them more if they hold the 30% we are looking for**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts Asst mgr and Mgr only**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes, Our GM and they are current**
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 are not**
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? **Randy goes through this daily, this is one of his main jobs he feels.**
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)? **Randy get the financial statement monthly.**

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 would like to hold 30% in parts. We check these numbers daily and watching the percentage for the employees bonus.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Honestly when we made the parts page and we check it monthly for new coupons**
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 our website and the leads go straight to the parts manager for those response**
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? **Yes training is provided and mandatory through Ford Motor Co. Monthly**
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 we have a wall of accessories with monthly cost listed for accessory sale on a payment, also have a large 60" tv with a configurator computer on it to virtual see accessories on car/truck/suv your purchasing a salesman goes thur these items with their customers before entering finance department**
16. What would help you sell more accessories? **More new inventory so we can pre dress the units up again like we did prior to covid**
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 on a monthly basis between the parts mgr and asst mgr to make sure we are reaching our 30% goal**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **This was a NO, however Randy said something I need to start letting them know daily**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Yes Monthly with our reconciliation statement**
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 and no, something to start doing**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Advisors**

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? **\$31819 in last 12 Months**
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.)? **RIM program**
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 out of 10**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Getting the Financial statement now to understand all the numbers better.**