

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 just 17 years of dealership experience.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Deliver the right part, at the right time, every time!**
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.**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **85/15**
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, they ask parts manager before any changes.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only parts personnel can.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes per MCGovern policies 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 at retail but we are currently working on getting it pushed through Hyundai.**
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 we all work with corp, almost daily on WIP. Everything is monitored tightly, and I check everything daily. We run an extremely tight ship.

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)? **Fin. statement is given monthly and gone over by GM once a month. DOC is provided daily.**
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 matrix pricing. We check the goals daily on the DOC.**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Once a month.**
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 E-store currently. The leads get sent to all personnel in parts and I check daily to make sure leads are followed through.**
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? **Training is done through Hyundai. I monitor sales skills daily and critique if needed.**
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? **We don't right now. GM and I are working on an action plan to facilitate this.**
16. What would help you sell more accessories? **New cars with accessories already installed for demoing.**
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 review customers monthly on their conduct.**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Yes the breakeven is \$3643.**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **I personally check to make sure everything is accurately received daily. Variances are communicated through email.**
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. If there is a demand, post lost sale if part is not inventory.**

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Getting the customer back in but we do a great job with this.**
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? **We lost returns due to buy/sell. \$16911.**
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.)? **PartsEye**
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? **Honestly McGovern has provided me with so much knowledge and support. The only thing I could help is a scan gun.**