

Parts Manager Conversation Nathan Newhouse

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
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
N/A
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?
Have never tracked it outside of dms, dms 78% as of mtd feb 2023
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **As of dec. 2022, 85% internal and external 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? **Password protected**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Parts department, Dealer Principle**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes retail pricing for internal, yes it is current, always done it this way**
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? **Currently not at msrp for warranty, Currently working with outside company to get warranty at MSRP**
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? **N/A**
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)? **No financial statement, But has access to DOC**

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? **Recently implemented a matrix price increase, check it monthly**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **Marketing company 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? **Sales leads from website, no online store, sale gets the leads**
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? **Hyundai has mandatory traing that employees do, have assessed after the training**
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? **Working with DP currently to make accessories process, putting accessories on new cars, current remodel has plans to help improve accessories sales process**
16. What would help you sell more accessories? **Having a better display, process with sales to show customers what is available, and loading more cars with the accessories**
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? **Have not done recently we do have a large wholesale**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **\$1,884.00**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **We do random sequential bin counts, and if adjustments are made accounting is notified**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **Currently LS were not being tracked accurately, making changes to begin doing accurate LS**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Getting service to get the customer brought back in, in a timely manor**
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? **Biggest cause of OBSO is SOP from**

service and them not getting customer back in within the Hyundai return policy, they says there scheduled but then something always happens and the customer sold the car, wrecked the car etc

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.)? **Usually follow Parts EYE Guidelines**
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? **7.5**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Training and all department cooperation**