

## 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)? **NADA Academy seminar, Ford Parts Manager Certification and ongoing training, some Automate DMS training courses.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **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? **Just started**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **68% / 32% , (actually 81/19)**
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, counter people are able to change mark up formula**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **No one outside of parts department**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes - GM and 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? **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. **(No)** Do they verify that all parts invoices and repair orders are closed out in a timely manner? **(yes)** What does this look like? **Email from company auditor**
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- Acar Report -each department manager receives pages pertaining to their department**

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? **MSRP plus 15% - regularly check gross profit percentage**
12. How often do you audit your dealership's Parts web page? **(Every month)** How often are coupons, hours of business, etc., reviewed and updated? **Once a month**
13. Do you have a Parts online eStore? **(No)** How do you ensure that parts order forms/queries are responded to in a timely manner? **Queries from website come thru BDC, than turned over to parts manager** Who gets the email leads/questions?
14. What sales training is available to Parts personnel? **(Ford Online training thru STARS)** If training is available, is it mandatory? **(YES)** How often are sales skills assessed, tested, and refreshed? **Counselling as issues come up**
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, sales department doesn't see any benefit to them.**
16. What would help you sell more accessories? **Pre load new vehicles, check list to go over in F&I**
17. Do you review your wholesale customers to see if their sales, gross, and returns justify the expense of conducting business with them? **( Yes )** How often are they reviewed? **2-3 times per year**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **\$2,556.90**
19. What procedures do you have in place to ensure inventory accuracy and integrity? **( Spot bin checks daily, monthly reconciliation, reorganize shelves on a monthly basis** How are variances communicated to the accounting office? **Reported to Office Manager**
20. Are lost sales being tracked in your DMS? **9 (They are as of 3/24/23)** Do you have a common definition that all counter people understand? **(working on training them )** What is your definition? **Any parts transaction that otherwise wouldn't be recorded in DMS**
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **Calling and reaching people to set appointments. Problems getting ahold of people and following up past first attempt.**
22. In your store, what do you feel is the biggest cause of frozen capital and/or obsolescence? **(Special Order Parts)** . What is the current dollar value of your obsolescence? **\$1,400**

23. What is your phase in/phase out strategy? (3 in 9 ) How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? **Manager checks and verifies all parts on RIM or phase in before adding them to stock order**
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**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **Nothing, he feels like he's been given all the tools necessary and has the ability to make calls or make suggestions.**