

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) **GM training through global connect.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No but he really liked the idea and wants to come up with one.**
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? **Manually no from the DMS 57%**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **CP 14% Internal 23% Warranty 13% body shop 47% Counter/wholesale 3% (opportunity)**
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? **Checks report daily and counsels accordingly**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only supposed to be the parts department but that is not currently not the case**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes owner**
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? **No 14 months but we are looking for venders to start the process again.**
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?
Service manager and parts manager meet daily on wip and special order. All RO's are closed next after work is completed
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)? All managers have access to the financial. Like many in the car business, the numbers are only discussed if something is out of line

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
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? While I was at academy we noticed that our link was not working so we will be looking at it 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? Yes for accessories but we are looking into adding part. The email goes the parts manager and the owner.
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 gm test are required by all employees and must be completed quarterly.
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 recently hired an accessory sales person.
16. What would help you sell more accessories? More accessories in store (instant gratification) working with sales person to better present the options.
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 every six months
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? yes
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? Yes every counter person must check 3 bins per day
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 the customer was ready to pay for a part and we didn't have it =LOST SALE
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
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? Wrong purchase with no returns

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.)? **we do not have a defined process we use rim recommendation and adjust as we see fit**
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? **MORE SPACE!!!!**