

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)? Toyota parts training / **I think they should have both NADA parts and also Toyota training.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Being the best provider of services and high-quality auto parts for the automotive market.**
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? We don't track it manually on a regular base, but through DMS we track 83%/ **I think the correct way would be counting them on the excel shit manually on daily bases**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? 3%warranty internal 6% 14% CPRO retail 2% w/s 65%. **I would prefer 60%/40% through service.**
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? There is no restriction anything over 25% for W/S parts manager needs notified for work orders parts discount only authorized by fixed up or assistant service manager/ **I think the correct way is to not allow everyone to have access - only the parts and fixed operations manager.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? Assistant Parts manager and parts manager/ **I think this is the right way.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? We are following TCI prices (Toyota Canada)/ **I support TCI.**
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? Cost plus 38% that is TCI standard. **I support TCI Toyota Canada.**
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? Our parts manager and fixed up have a regular monthly meeting any AR issues/ *I think having a meeting twice or even once a month with the office manager is reasonable.*

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)? DOC gets shared with our parts manager daily/ *I think DOC should be shared daily and also statement should be shared with the parts manager as well.*
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? Our store tries to follow TCI (Toyota Canada) guideline there is no strategy in place/ *I think it is wise to follow Toyota Canada's guidelines, but we also need to be creative.*
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? There is no audit from our parts department happening as of now/ *I think we should go through our website and get it checked a minimum of 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? We don't have a eStore/ *We are setting up to start an eStore with our fixed operations manager.*
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? Just the regular Toyota trainings/ *I think we should have a proper training in place and follow a guideline.*
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 have a process as of now, they are very limited/ *We are working on a process with our variable side to create better visibility in the showroom and making sure that it is getting shared with the guest at some point of the sales process.*
16. What would help you sell more accessories? Hire extra staff and sales department/ *I do agree with our parts manager, but he need to be more creative.*
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? Unfortunately there is no performance review in place/ *I think we should have a solid plan and go through the performance review monthly.*
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? \$2000/ day.

19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? Perpetual counts by section on a monthly bases/ *We don't have a proper way of communication with the controller, we should have a process which involves our parts manager and controller to communicate better.*
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? Lost sales gets tracked by renolds during quotes except for whole sale / *I agree with this process.*
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? Prepaid or follow up with the appointment BDC/*I think prepaid is the right way.*
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? Parts order for SPO the guest no longer has the car or the car has been flipped. Our current obsolescence is \$6000/ *I would have the prepaid for SOP to prevent creating frozen capital.*
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.)?
Our parts manager uses ageing report so anything reaching towards 12month unsold return to PDC/ *Using our DMS to monitor this and we should also use our parts consultant on a monthly basis to go through the details.*
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/ *I think we need to have the proper training to make sure we are doing 10/10 to understand and follow the reports.*
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? Hire quality staff vs quantity/ *I think we need to understand what we need from people and have an educational way of hiring new staff.*