

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)?
 - 15 Years experience
 - Learned parts working at O'Reilly's, Advance Auto.
 - Will be completing NADA Parts seminar this September

2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
 - Not yet.

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 have always used DMS and OEM systems to track.
 - Current FTFR 97%

4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)?

95%/5%

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?
 - DMS has ability to setup restrictions for pricing. We are a 1 person Parts Dept. He handles all pricing on his own.

6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors?
 - Parts Manager only

7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current?
 - Internals are setup at Retail. Always have been.

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 a Retail Reimbursement state and are priced at retail
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. Closed out typically end of month. All carryovers are put into next month.
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. Discussed weekly.
-Parts Manager has full access to his dept at all times. Where he is for Sales, Gross, Etc.
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?
-Matrix pricing. Check percentages weekly.
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated?

-Not enough for specials. Probably once every 2 months.
-Just setup online parts store thru Simplepart. Per Brians reccomandation.
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?
-Currently being setup by simplepart.
-All parts orders/inquiries will go to Parts 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?
- No 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?
-Not as of now. Working on setting up Brochures to offer accessories at time of sale.
16. What would help you sell more accessories?
-Online parts store and offered at time of sale.
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?

- They are all pickup and not delivered. Very little returns from wholesale
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?
- I do not.
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?
- Weekly cycle counts. EOM office will review Cycle Counts.
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, tracked in DMS. Lost sale defined as anytime we can't sell a customer a part same day.
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up?
- Service dept setting up appointments to get 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?
- Service's ability to get customer back in.
 - \$212
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.)?
- Setup in DMS for 2 sales in rolling 12 months
 - Parts Eye
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?
- 10
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively?
- Air Conditioning
 - Nothing else at this time (per Parts Manager)