

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.**

What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)? **No formal training, just on job.**

1. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **Our parts department currently has no mission statement**
2. 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? **FTFR is 96%**
3. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **71% of business comes from internal**
4. 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? **Only a manager can over ride pricing and discounts**
5. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Service manager is the only person outside of parts that can slight discount.**
6. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Retail pricing for internal.**
7. 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 not at retail for warranty, we have never petitioned the OE for reimbursement.**
8. 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? **Tuesday Afternoon meeting with all department heads to go over.**
9. 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 it is given monthly and gone over with department heads.](#)

10. What is your retail pricing strategy for your Parts department? How often do you check to see whether your pricing goals are being achieved? [Gm list price, monthly.](#)
11. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Monthly reviewed and updated.](#)
12. 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. [No online parts store, just a form to ask for a quote. Directly to parts manager.](#)
13. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed? [I implemented sales training with the parts and service team in April. A company called ROCKED](#)
14. 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 accessories turn, we are in process of updating a space to do that at this time.](#)
15. What would help you sell more accessories? [Accessory turn over to a specialist, better process.](#)
16. 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? [Monthly reviewed and adjusted accordingly.](#)
17. Do you know how much each of your Parts salespeople must sell each day just to breakeven? [\\$18,200](#)
18. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? [Biannual full inventory and random monthly buckets counted.](#)
19. 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 you wonder if it's a lost sale it's a lost sale" a Part we cant supply at time of inquiry is a lost sale.](#)
20. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Service advisors and service BDC. Lack of communication and buy I for technology.](#)

21. 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? [Proper SOP procedure is the issue along with poor follow up, 31k is current Obsolescence.](#)
22. 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 use and rely on RIM](#)
23. 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? [Very good understanding 10/10](#)
24. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Better process and communication between departments.](#)

****SIDE NOTE****

This was a fantastic exercise to get to know my parts manager and their concerns better, I expected it to take 10 minutes but we sat there for nearly 2 hours and he opened up about A LOT of concerns. Thank you.