

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)? **STAYS UP TO DATE ON HYUNDAI AND CDK TRAINING COURSES THAT ARE AVAILABLE TO HIM**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it?
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 WE HAVE NEVER TRACKED MANUALLY. 61% IS OUR CURRENT FTFR**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **ABOUT 80% INSIDE AND 20% OUTSIDE**
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?
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **ONLY PARTS MANAGER**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **WE USE LIST PRICING FOR INTERNAL. THE OWNER ESTABLISHED THESE POLICIES AND YES THEY ARE CURRENT**
8. If you are in a Retail Reimbursement for Warranty state, are you at retail for warranty? not, when was the last time you petitioned the OE for retail reimbursement? **76.1% MARK UP ON WARRANTY PARTS. WE PETITION YEARLY**
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? **THEY DO A MONTHLY PARTS RECONCILIATION AND WORK THROUGHOUT THE MONTH TO CLOSE TICKETS AND MAKE SURE EVERYTHING IS AS IT SHOULD BE**

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)? **NO AND NO**
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? **RETAIL PRICING STRATEGY IS TO BE FAIR AND COMPETITIVE IN OUR MARKET. OUR PARTS MANAGER CHECKS PRICING MONTHLY IN OUR AREA TO ENSURE ACCURACY OF THIS**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **I PERSONALLY MAKE SURE OUR WEBSITE IS UP TO DATE ON ALL FRONTS. COUPONS ON REVIEWED 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? **NO WE DO NOT HAVE AN ESTORE (IT IS SOMETHING I AM WORKING ON BUILDING WITH A NEW WEB PROVIDER CURRENTLY). AFTER OUR CLASS EXERCISE TO SUBMIT A PARTS LEAD, BDC NOW HANDLES ALL PARTS QUERIES**
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? **THERE IS TRAINING REQUIRED MONTHLY THROUGH OUR HYUNDAI DEALER PORTAL**
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 WE DO NOT OFFER TO 100% OF OUR CUSTOMERS. I ASSUME WE DON'T BECAUSE OUR SALES PEOPLE DON'T HAVE THE KNOWLEDGE TO DO SO**
16. What would help you sell more accessories? **OFFERING IT DURING THE VEHICLE SALE AND OFFERING TO BUILD IT INTO THE DEAL**
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? **NO**
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? **OUR PARTS MANAGER CONDUCTS HIS OWN AUDITS MULTIPLE TIMES A MONTH. WE ALSO HAVE A THIRD PART COMPANY THAT COMES IN QUARTERLY TO DO AN AUDIT**
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? **NO THEY ARE NOT**

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? **ACTUALLY GETTING SOMEONE TO MAKE THE CALL AND SET AN APPT**
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? **I THINK THE BIGGEST CAUSE WOULD BE SOP'S NOT BEING TAKEN CARE OF PROPERLY**
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 ONE**
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? **4**
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? **MORE HANDS ON SUPPORT AND MORE CONVERSATION THROUGHOUT THE WEEK**