

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)? **NADA**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **"Progress as a Team"**
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, 84.16% for the current year**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **Wholesale - 18.2 % RO/Internal/Warranty/Body Shop- 81.8%**
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? **Only the parts manager is allowed to change the pricing structure. This is set in the price break escalators. Only exception is for certain maintenance plans.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Only parts personnel.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Yes, the parts and general managers and other directors are the ones who establish said pricing.**
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? **All have been increased in the last year.**
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, through monthly reconciliation.**

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, it is reviewed weekly in a managers meeting.](#)
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? [We stay competitive through calling around to other dealerships to gauge where we stand with our pricing. It is checked every quarter.](#)
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? [Never to my knowledge.](#)
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, only through the manufactures. The parts manager and assistant manager receive these leads.](#)
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? [Only the manufactures training is available and it is mandatory. The skills are assessed monthly.](#)
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 have a retail counter parts associate. They talk with the new car and use car department and with their customers as well.](#)
16. What would help you sell more accessories? [More communication through out the dealership, sales and service.](#)
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, they are reviewed quarterly.](#)
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? [Routine bin checks and through monthly reconciliation](#)
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, a lost sale is any part that had a demand that was not able to be filled.](#)

21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Customer follow up.](#)
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? [Return parts from wholesale accounts. 43,372.](#)
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.)? [3 in 9 months.](#)
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? [9](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [Communication at all times.](#)