

04/22/2024

Action Plan-

I will increase true turns to at least 4 by September 30, 2024.

I will achieve this with several steps as follows-

1. Create a report showing all receipts for a specified period. This report will show how a part was received, as a customer order or stock order. It is my belief some of our orders are being incorrectly received. Once this report is created, we will be able to counsel the employee making the error.
2. Run the open order report daily and check for old or incorrect orders. If you have an open order, it affects the ordering process from the manufacturer. This will allow us to have more stock parts on the shelf with the added benefit of increasing fill rate.
3. Closely monitor lost sales. This will increase parts ordered for stock thereby increasing true turns and fill rate.
4. Run the out-of-stock report. This will allow us to catch errors sooner and correct them to have more parts on the shelf.
5. Do more cycle inventories. The closer we can keep our counts the more true turns and off the shelf fill we can expect.
6. Decrease inventory over 9mns. We can do this by reducing prices on some parts- primarily tires. Sell aged inventory online through eBay or possibly Parts Broker Direct. Also, as we implement our plan to reduce wholesale returns this will have a positive effect on turns. As a last resort we will scrap inventory.

I will be the one responsible for creating the reports, and to start with the one to run them. As we all become more familiar with the new processes, I will allow my assistant to take some of the responsibility.

The cycle counts will primarily be the responsibility of my back stock people, with oversight by me.