

## First Time Fill Rate

DEALERSHIP NAME	Doral Lincoln	First time fill rate	
DATE	RO'S	1st Time	Day
9/14/2018	3	2	0
9/18/2018	6	6	
9/25/2018	5	3	1
9/28/2018	10	6	2
10/4/2018	5	4	0
10/9/2018	20	11	5
###	1	1	
<b>Totals</b>	<b>50</b>	<b>33</b>	<b>8</b>



<b>Rate %</b>
<b>66.67%</b>
<b>100.00%</b>
<b>60.00%</b>
<b>60.00%</b>
<b>80.00%</b>
<b>55.00%</b>
<b>100.00%</b>
<b>#DIV/0!</b>
<b>66.00%</b>



CDK Stocking Status			Inventory % of Inventory	Guide	COLOR SCORING	
INVESTMENT		Value				
Normal or Active Stock		\$93,053	35.46%	over 70%	GOOD	
Automatic Phase Out		\$51,673	19.69%	Less than 35%	WARNING	
Dealer Phase Out		\$15,533	5.92%	Less than 1%	DANGER	
Manual Order		\$766	0.29%	Less than 3%	GREAT	
Non Stock Part \$'s		\$90,982	34.67%	Less than 5%	Seldom used	
Non Stock Part #'s*		8,346	81.79%	Greater than 70% of PN's	OK....BUT..	
Clean Core		\$10,401	3.96%	p/n	pieces	OUCH !!!!!
Dirty Core			0.00%			
Total Inventory		\$262,410	100.00%		ouch!!!	

Activity	Value \$	%	Notes & Guides
0-3 Months	94,869	38%	ACTIVE INVENTORY at 75%
4-6 Months	28,405	11%	ACTIVE INVENTORY at 23%
7-12 Months	30,620	12%	75% will likely become Obso 2% is guide
Over 12 Months	70,759	28%	Technical Obsolescence 2% is guide
New parts no sales	27,355	11%	Minimal Amount
Total Inventory	\$252,008	100%	

**OBSO POSITION**

.75 TIMES \$			22965.29
PLUS			70,759
PLUS			27,355
EQUALS	48%		121079.2

## Departmental Action Plan

Dealership **Doral Lincoln**

Academy Week

**Week 2 - Fixed Operation - Parts**

Class & :

Current Situation

Our parts department has an obsolescence problem. This is related to high turn over parts that are not picked up by the customer. We have a process in place but the high turnover has caused there to be discrepancies in the procedures in place. They try to have always the case as I witnessed while sitting in the parts department for a few weeks. If a customer does not pick up their part.

Overall Objective:

Develop a SOP process that can be easily followed by the counter men and Pa (part arrivals followed) in order to reduce obsolescence.

Proposed Timeline

9/28/18 - Meet with PM and Counter men and develop SOP process to be followed  
10/2/18 - Meet with PM and Counter men to develop a process to get rid of current obsolescence  
Ongoing - Meet with PM and Counter men to see how the new process has been followed  
12/3/18 - Pull October and November Management report to see if obsolescence is under control and see if there is room for improvement.  
Ongoing - Continue to assess SOP process and get rid of current obsolescence  
2/15/2018 - Pull December and January Management Report's to see if there is obsolescence inventory under control as well as a smooth SOP process.

Action Plan

Describe necessary actions to reach desired result:  
1) Meet with parts manager and counter men to develop SOP Process: All customer part arrivals the PM or counter men will personally call and email the customer. If the vehicle is in the shop, they will not have to prepay. In that case, once the

a list of SOP's that have arrived to both the service manager and advisor's (on and let them know thier part has arrived.

2) Get rid of current obsolescence: The parts manager is using 3 websites to sell OEC connection - Selling to other dealers at 30% below cost  
Cash Discovery and Parts Broker - Selling obsolescence at .50/\$1

3) Continue monitoring SOP process to ensure all employee's are following th picked up evaluate if the part should be put back into inventory.

## Requirements

### Meeting with Dealer:

1. Action Proposed: Meet with dealer prior to discussing action plan with the sta

### Meeting with stakeholder(s) (dealership personnel):

Describe what is in place to support desired goal:

Training / Coaching / ±Consequences related to results / Pain & Gain

2. Our new parts manager is willing to take the time to train and coach the count and it seems like we finally have a good team in the parts department that war both obsolescence and the SOP process.

### Accountability: Monitoring progress:

Who:

Parts Countermen, Parts Manager, Service Advisor, Service Manager

What:

Countermen and PM - Call and follow up for SOP's ordered by customers over various websites at lower cost.

Service Advisors and SM - Call and follow up for SOP's ordered included in R

By When:

3. February 2018

How:

On a daily basis the PM will review all SOP's outstanding and send the list to t personally call the customer if they are an over the counter customer. All SOP being put back into inventory. The PM will monitor the obsolescence inventory sell those parts at a discount.

Describe checkpoints that have been established to measure progress:

Daily / Weekly / Bi-weekly / Monthly /

Daily - Review SOP list for parts that have arrived. Call and email customers the counter men and Parts Manager will send the list to the Service Advisors and Service customer to make an appointment or if the vehicle is in the shop to finish the

Daily - Go over list of obsolete parts being sold at a discount to see if there is

4. Weekly - Review the list of SOP's that have not been picked up and follow up

Monthly - Go over list of SOP's that can possibly be returned or placed back in

Date(s) for review: 9/2018-2/2018

5. Estimated cost for implementation: None

Projected Date of Completion:

February 2018

Sponsor Signature: \_\_\_\_\_

Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI /

Sales - Once our obsolete inventory has gone down, the counter men and parts manager will be able to increase sales.

Gross - Gross will increase once we don't have to sell so many obsolete parts at a discount or loss

Expenses - Expenses should not be affected too much, payroll expense would actually increase if compared versus older parts at a loss. The parts employee's pay plan is correlated to parts gross profit.

Net profit - There should not be too much change, If gross profit increases and payroll expense increases sales.

CSI - If the employee's call and follow up as soon as the SOP is ready customers will be more likely to follow up. The longer employee's wait to follow up, the angrier the customer will most likely be.

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Student Number n338

turnover of personnel and SOP's that are not of Parts Manager's in the last 2 years has all customer paid jobs pre-paid, but that is not weeks. Additionally, there is not much follow

Parts Manager (the current process is not always

reduced  
prevent obsolescence  
isn't going and make sure process is being  
it has been reduced compared to prior months  
a  
positive change and hopefully have the

customer pay SOP's are to be pre-paid. Once the  
to let them know their part has arrived.  
part arrives the PM and countermeasures will send

a)

**PLEASE BE ADVISED  
THIS ASSIGNMENT BY  
IT'S SELF IS WORTH 100  
POINTS.TAKE YOUR  
TIME AND GET IT  
CORRECT**

**Bavis, Christopher:**  
This will indicate that you have

the attention of the dealer. Set this up in advance prior to having employees in the stakeholders meeting

ff

ermen. We have had problems with turnover its to see a positive change when it comes to

r the counter. Sell obsolete parts through D's

he advisors if it is part of an RO or will 's not picked up within 3 months are subject to on a daily basis in order to continue trying to

the day their part arrives. If it is part of an RO, Service Manager on a daily basis to call the repairs.  
room to be more aggressive.  
with the customers.  
to inventory.

le to put more focus into selling new parts which can  
s. More room to sell newer parts and make more money.  
gross profit increases due to selling new parts at a profit  
reases net profit should increase slightly due to higher  
to be happy that their problem was resolved quickly.