

Departmental Action Plan

Dealership

Student Name

Academy Week

Class & Student Number

Current Situation

Our dealership has traditionally performed an annual physical inventory to update/adjust stock records. We completed our physical inventory in October with significant positive variance resulting in adjustment of \$114,454 in Gross Profit. First Time Fill Rate is 71.66% for last 12 months average (MGR - Month End November 2018)

Overall Objective:

Develop and implement a Cycle Count program that checks set number of bin locations on a daily basis.
Objective will be a sustainable process which will cycle through inventory 4 times in 12 months.
Inventory Accuracy => 96%

Proposed Timeline

Program in place in Camp Hill and Lebanon by end of 1st Quarter 2019

Action Plan

Describe necessary actions to reach desired result: Planning Stage (CDK Perpetual Inventory Process) to determine number of bins to count per day/per month. Pilot process in Camp Hill location (smaller) and then roll-out to Lebanon.
Monitor to ensure counts are being completed; and include root cause analysis/problem solving.

Requirements

Meeting with Dealer:
1. Action Proposed: Review Plan with Camp Hill Parts Mgr Dec 17th; Dealer Principal and General Manager Dec 18th

Meeting with stakeholder(s) (dealership personnel): Camp Hill early January 2019
2. Describe what is in place to support desired goal: CDK Process Instructions, Bar Code Scanners; add'l CDK support resources as required.

Accountability: Monitoring progress:
Who: Steve Erb, CH Parts Mgr (Vic Brown)
What: Monitor counts to plan; root-cause analysis for adjustments; corrective action as needed
By When: Weekly
How: On-Site, Conf Call
3.

Describe checkpoints that have been established to measure progress:
Daily / Weekly / Bi-weekly / Monthly /
4. Date(s) for review: Weekly reviews; and updates to Dealer / GM weekly to start; then monthly (Inv Accuracy)

5. Estimated cost for implementation: N/A

Projected Date of Completion:

Sponsor Signature: _____

Evaluation of Results: Include measured results. (± Metrics)

Impact Areas:

- Sales - should improve via improvement in our inventory accuracy which should impact our first-time fill rate.
- Expense - reduction not having to do annual physical inventory because our accuracy is 96% or better.
- Service - should decrease wait times for parts by improving our accuracy and fill rates; enabling our techs to be more productive/proficient as a result
- Customer Service - Improved throughput for vehicles as a result of faster processing due to improved parts fill
- First-time Fill Rate - Should improve from current 73%

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