

Action Plan 4

What will you do differently as a result of what you've learned in this section?

Work with parts manager to bring overall days supply of parts down from 1.75 to 1.5, this should increase our gross turns to the top of the guide at 8 instead of our current 6.9 and help keep our true turns above guide of 6

What will be the benefits of making these changes? What will be the consequences if you don't do anything differently?

The benefit to this will be a cleaner parts inventory, reduced obsolescence, reduced frozen capital and extra cash on hand to purchase bulk inventory at a discount

What obstacles might you encounter and how can you overcome them?

You may encounter resistance from the manufacturer wanting a specific base stock of inventory, the parts department may be resistant to reevaluating their inventory quarterly

Identify the first few steps and the people who can help you with them.

Establish a quarterly evaluation of our parts stock vs sold, return items as soon as eligible and work to maintain a cleaner and more functional inventory

Lesley Halphen - Parts Manager

Randall Gilreath - Assistant Parts Manater

Justin, Jerry, Angelia and Sammi - Front and back counter sales associates

Brett Christian - Corporate Parts Director