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Parts Action Plan 3

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

We will bring our true turns up to par with the NADA guidelines of 4-6. It is currently 1.5 which is well below NADA.

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

Benefits

- Inventory is better managed
- Less frozen capital
- Less emergency purchases
- More usable inventory

Consequences

- Frozen capital increases
- Too much obsolete inventory
- Too many emergency purchases

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

Our parts manager is one of our most senior employees and is not up to speed with technology, which is imperative these days. I would require him to be enrolled in a class to get the most use out of the technology we have.

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

Eliminate obsolete parts

Rely on regular stock purchases with the manufacturer

Training on how to be completely up to date with technology

Start Date: 5/2/22

Completion Date: Ongoing