

| Week 2. Parts. |
|-----------------------|
| Rate % |
| 83.33% |
| 83.33% |
| 85.71% |
| 66.67% |
| 77.78% |
| 80.00% |
| #DIV/0! |
| 80.00% |

Chris Flood NADA 332-29

| REYNOLDS 2213 | | | | | | |
|------------------------|------------------|--|----------------|--------------------------|----|-----------|
| Stocking Status | Inventory | | % of Inventory | Guide | | |
| INVESTMENT | Value | | | | | |
| Normal or Active Stock | \$91,641 | | 75.83% | over 70% | | |
| Automatic Phase Out | \$12,960 | | 10.72% | Less than 30% | | |
| Dealer Phase Out | \$0 | | 0% | Less than 1% | | |
| Manual Order | \$1,814 | | 2% | Less than 3% | | |
| Non Stock Part \$'s | \$11,607 | | 10% | Less than 5% | | |
| Non Stock Part #'s* | 57.7 | | MEMO | Greater than 70% of PN's | | |
| Core Clean | \$200 | | 0% | 4 PARTS | | 5 PIECES |
| Core Dirty | \$950 | | 1% | 6 PARTS | | 8 PIECES |
| Replace by hold RBH | \$1,674 | | 1% | 11 PARTS | NA | 17 PIECES |
| | | | | NA | | |
| Total Inventory | \$120,846 | | 100% | | | |
| | | | | | | |
| | | | | | | |

REYNOLDS

| Activity | Value | | % of inven | NADA Guide | Notes |
|--------------|------------------|--|----------------|------------|--|
| Current | \$72,894 | | 60.90% | 75% | this is your current and healthy parts inventory |
| 1-3 Months | \$23,876 | | 19.95% | included | |
| 4-6 Months | \$15,520 | | 12.97% | 23% | |
| 7-9 Months | \$5,872 | | 4.91% | 2% | 65% Will likely become ob |
| 10-12 Months | \$96 | | 0.08% | included | 85% Will likely become ob |
| 13-24 Months | \$343 | | 0.29% | 0% | Technically Obsolete |
| 25+ months | \$1,095 | | 0.91% | 0% | |
| TOTAL | \$119,696 | | 100.00% | | |

| |
|------------------|
| GOOD |
| WARNING |
| DANGER |
| GREAT |
| Seldom used |
| OK....BUT.. |
| OUCH !!!!!!!!!!! |
| YIKES |

| | | | |
|--------|--------------------------------------|-------------|-------|
| | | | |
| active | | | |
| | OBSO POSITION MATH DONE BELOW | | |
| osob | .65 TIMES THE 7-9 MONTH VALUE | \$3,817 | |
| osob | .85 TIMES THE 10-12 MONTH VALUE | \$81 | |
| | PLUS THE 13-24 MONTH VALUE | \$343 | |
| | PLUS THE 25+ VALUE EQUALS | \$1,095 | |
| | OBSO AS A % OF TOTAL | \$ 5,336.09 | 4.46% |

Departmental Action Plan

Dealership **Bill Kolb Jr. Subaru**

Academy Week **Week 2. Fixed Ops / Parts**

Class &

Current Situation

Our Parts Department is less than 1000 square feet and consists of four people for 2017 totalled over \$3,700,000 and our gross was over \$1,112,000. To say that is an understatement. The problem has always been that we do not have room to accommodate the process of building a new Parts and Service facility. However, that facility will not want to miss out on additional business while we are waiting to open the new facility.

Overall Objective:

To reduce the complexity of the parts receipting and stocking processes enable more time meeting the needs of our customers and Service Department.

Proposed Timeline

Initial training will begin immediately and all Parts personnel will be fully trained within 30 days.

Action Plan

Describe necessary actions to reach desired result: We are going to implement a new system. I will contact our DMS and schedule the setup and installation of the necessary components. I will have the Parts Department Manager trained so he can begin using the tool immediately and train the other Parts Department employees so we have a "Plan B." I will then meet with the other employees to discuss the tool and their ability to use it effectively.

Requirements

Meeting with Dealer: Bill and Maryann Kolb

1. Action Proposed: To begin the immediate use of a Bar Coding system in the Parts Department stocking processes currently used.

Meeting with stakeholder(s) (dealership personnel): Joe Kensicki (Parts Manager) & Dana Carano (Comptroller)

Describe what is in place to support desired goal:

Training: Reynolds and Reynolds on site training during implementation. Follow up necessary. Coaching: Joe K will coach his staff and assist with on going training. If not used they will be instructed to do so as part of their job description. If not attained, a meeting to discuss why the tool is not being used will be held. All parties will have a chance to voice their opinion. If further conversations are the right fit for our store.

2.

Accountability: Monitoring progress:

Who: Joe Kensicki (Parts Manager) & Chris Flood (General Sales Manager)

What: Financial Statement review and reconciliation.

By When: April 10th, 2018

3.

How: Using the dealer F/S we will look at both Sales and Gross numbers to determine what has helped increase sales and gross by freeing up more time to spend with customers. Our gross was 29.93% We will also run a reconciliation to measure variance. Stocking information will help minimize human errors and keep variance below guide of 1%.

Describe checkpoints that have been established to measure progress:

Daily: Informal conversations: "How's it going?" during setup and training. This is to let them know I am paying attention. Weekly: Tuesday meeting held with staff. Meeting with Parts Staff to gauge level of utilization and general opinion. Monitor numbers using Financial Statement. Reconciliation of F/S and DMS. Special attention to help minimize the variance.

4.

5. Estimated cost for implementation: Initial setup and cost of equipment is \$5,500

Projected Date of Completion:

March 15th, 2018 for the initial training of all Parts staff. Use of the tool will be ongoing thereafter.

Sponsor Signature:

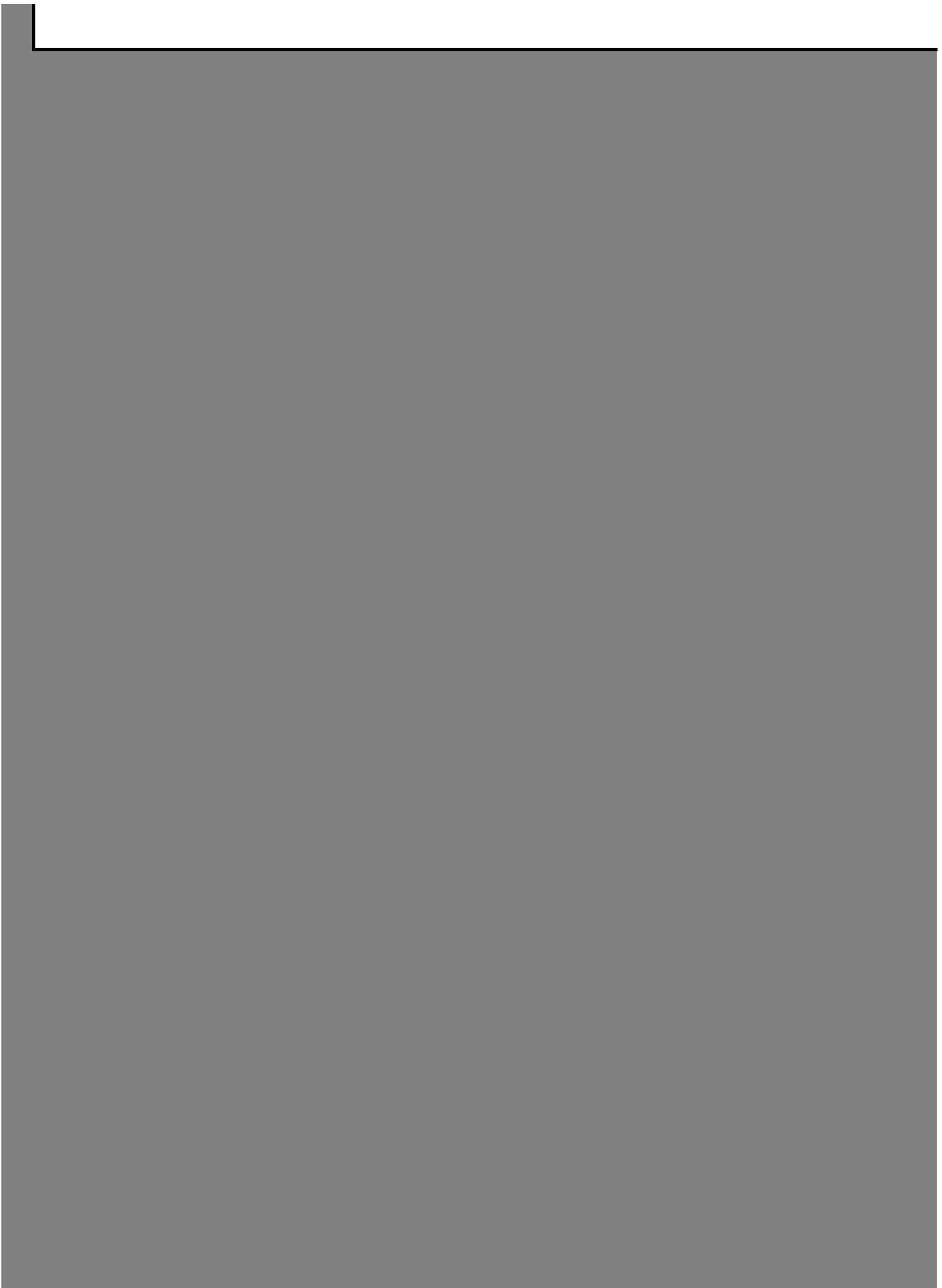
See attachment

Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales & Gross numbers should increase as department personnel have more time to spend "selling" components will add \$ 9,903 to the annual expense report. However, better use of time and the maintenance Technicians will not have to wait for their parts while one Parts person is manually receipting and checking. More accurate stocking info, automatically assigned bin locations and receipting should make the process smoother. Customers will not have to remain on hold while supply is checked and their parts could be supplied more quickly. This will improve customer experience.



Student Name **Chris Flood**

Student Number **332 / 29**

e, one of whom is the Parts Driver. Our sales
at the Parts Department is understaffed is an
dd any additional personnel. We are in the
not be complete for several months and I do
new building.

ling the Parts Department personnel to spend

ed by March 15th, 2018.

it a bar coding system. The first step will be to
nponents. The second step will be to have our
. The third step will involve the training of the
h the Parts Department to assess their opinion

arts Department to speed up the receipting and

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

ger) Rich Brito and Matt Boyea (Counter) and

ow up training with Reynolds and Reynolds as
ring. Consequences related to results: May
eed up the process immeasurably. If the tool is
er the initial conversation, 100% utilization is
The meeting will be an open discussion and
re necessary we will determine if the individual

termine if the use of the bar coding tool has
ners. 2017 YTD Gross as percentage of sales
n with a bar code scanner should help

ne intent is not to take away from the training
th all management level employees. Bi-weekly:
thly: Review of Department Sales and Gross
attention to variance. Bar code tool should

69. Monthly maintenance fee is \$394.

ned document.

g." Expenses: The use of the tool and necessary
n hours it will free up should more than cover the cost.
:hecking parts deliveries. CSI could improve as well.
trust in the DMS greater than it is currently. As a result,
:d more quickly enhancing the overall customer

