

# CAR PARTS CYCLE COUNT AND WALL-TO-WALL COUNT TO UPDATE STOCK ON-HAND FILE

Case Study: Warehouse Count – Car Service and Parts Centre

A car service and parts centre needed a solution to count the spare parts stored for the end of financial year stocktaking



## CAR PARTS CYCLE COUNT AND WALL-TO-WALL COUNT TO UPDATE STOCK ON-HAND FILE

Case Study: Warehouse Count – Car Service and Parts Centre



Conveniently located adjacent to a dealership is the state-of-the-art car service and parts centre — one of the largest and best-equipped service facility in Australia. The company has a team consisting of highly-trained certified master technicians and certified service advisors.



### **REQUIREMENT**

The car service and parts centre needed a solution to count the spare parts stored and wanted to achieve an accurate result of the end of financial year stocktaking.

The car service and parts centre required RGIS to provide the following:

- Recommendations to give the most accurate stocktake
- Identify variances in stock quantities and bin locations
- Be aware of stock movements during counts



### **SOLUTION**

The car service and parts centre partnered with RGIS to complete the spare parts cycle count project, and RGIS provided the following:

- RGIS recommended to complete 10 cycle counts before the wall-to-wall count, to fix the stock on-hand file in the longer term
- Scheduled two experienced RGIS auditors for the cycle counts
- · Scheduled 20 experienced RGIS auditors for the full wall-to-wall count
- · RGIS completed all bins in eight cycle counts, but still completed another two for the high-value areas before the full wall-to-wall count
- The warehouse did not freeze the system due to cycle counts, so the RGIS team used warehouse scanners to check the latest expected stock on-hand when checking variances and adjusted accordingly
- · The RGIS team not only verified the count, but also checked any stock movements during the cycle count



### **RESULTS**

The car service and parts centre found by outsourcing the spare parts cycle count **project** to RGIS, the following results were achieved:

- 5,833 Bins and 5,837 SKUs were counted and checked at least twice during cycle count and full wall-to-wall count
- First round of cycle counts corrected major stock on-hand discrepancies and helped the warehouse staff understand which sections needed more attention while picking and packing
- · Result of full wall-to-wall count:
  - Absolute variance = \$53,178 (1.9% which was within target)
  - Net variance = \$8,698
  - Total Expected = \$2,689,209

By partnering with RGIS, the car service and parts centre found that the first round of cycle counts corrected major stock on-hand discrepancies and helped the warehouse staff understand which sections needed more attention while picking and packing



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Warehouse Audit



**Cycle Counts** 



Accurate Data



**Variance Reporting** 



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