



MOTOR PARTS NATIONAL SHRINKAGE AUDIT

Case Study: Industrial – Motor Parts Specialist

A motor parts specialist, needed support in **establishing stock and shrinkage levels** of motor parts at 81 centres

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A motor parts specialist operates as an agent on behalf of a major car manufacturer with 81 centres, and are responsible for the supply of genuine parts.

REQUIREMENT

Due to concerns regarding the growing amount **stock write-offs** within all motor parts centres, the major car manufacturer set about establishing policies and procedures that would make each centre responsible for the stock and shrinkage levels, whilst introducing the mechanism to be able to audit the stock accurately.

RGIS were required to provide the following:

- Improve the location of all products to **deliver an accuracy rate at audit of 95%**
- **Reduce the total write-offs by 50%** and save up to £70,000
- Conduct an **independent audit** in all centres within a calendar year

SOLUTION

The major car manufacturer partnered with RGIS to complete the **motor parts shrinkage audit** and provided the following:

- RGIS logged onto the customer's system and pulled the **on-hand file** the night before each motor parts specialist centre audit
- RGIS **audited** each motor parts specialist centre using the on-hand data, which included the location of each item
- The RGIS systems auto printed any discrepancy between **audited quantity and on-hand expected quantity**
- RGIS supervisor double checked any discrepancies. If correct, supervisor checked the store system to see if the item had been recently sold
- **Accuracy measured** on RGIS auditing error numbers
- Store signed-off reports to confirm an **accurate audit**

RESULTS

The major car manufacturer found that by outsourcing the **motor parts shrinkage audit** to RGIS to complete, the following was achieved:

- Motor parts specialist centre **area compliance of 96%**
- Motor parts specialist centre **process compliance of 98%**
- **Reduced write-off costs by £70,000**
- Completed all motor parts specialist centre audits within a calendar year as required



A major car manufacturer's motor parts specialist found by partnering with RGIS, they **reduced write-off costs by £70,000**



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Vehicle Parts Audit



Reduced Shrinkage



Accurate Data



Money Saving



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