

## Stockroom comments on accuracy

By Joel Levitt

What is the single biggest area of loss of mechanic productivity in a fleet garage? Hint: The same thing is the largest cost area for a fleet after labor and fuel. If you answered spare parts give yourself a star.



I just taught a course on Inventory and stock room management in beautiful Louisiana and they reminded me about the importance of having the right parts available at the right time. Huge amounts of time are lost due to not being able to find parts, having the parts on the system but not on the shelf, or not having the right parts. In a way this is not a parts issue but rather an issue of the storeroom or warehouse where the parts are kept.

### **How to communicate the importance of accurate records**

There were a couple lessons that could be learned by any storeroom starting with the importance of accurate records. Everyone agrees with the importance of accurate records but disagree with how to achieve the goal. Here's my take on achieving the goal:

- Be sure everyone knows why accurate records are important.
- Encourage people to take responsibility for their part of the process.
- Be sure everyone knows who is accountable for different aspects of the process.
- Provide physical security.
- Provide training in procedures for storeroom personnel and your customers
- Conduct motivational talks from different parties
- Provide the tools to make doing the right thing the easiest thing to do.
- Establish goals and measures and report on progress IN PUBLIC
- Management must have the will power to make it so!**

Mistakes are always going to happen. The common causes need to be discussed by people who can make a difference and treated (of fixed). The important question is who makes a difference. It turns out that a difference can be made by the stockroom clerks (if there are any) and by the mechanics (if they pick their own parts).

Can we focus and see the areas where mistakes commonly happen? Did you ever think of all the areas where mistakes can happen to mess up your inventory numbers?

- Parts removed without paperwork (maybe they were in a hurry or some other excuse)
- Parts removed and the paperwork is marked incorrectly (wrong part number or wrong quantity)
- Missing shipping, receiving documents (they are easy to stuff somewhere)
- Wrong part sent in and missed in receiving (shelved god knows where)
- Rebuildable parts handled differently each time (are cores a special case –every time?)
- Confusion in unit of measure pounds, ounces, kilograms, grams who can keep them all straight).
- Marking wrong SKU (part number) on incoming part

- ❑ Errors in transcription (like flipping numbers)
- ❑ Returns improperly accounted for (just re-shelved –not entered back into system)
- ❑ One part blocking sight of another (when you are looking or counting)
- ❑ Pilferage, theft (certain things get legs –try holding onto AA batteries during the holidays!)
- ❑ Toolbox and rat hole inventory (maintenance workers like to keep their own mini-stockroom)

**Project:** Initiate a discussion of one or more areas where mistakes can be made. See if the parties involved can design a simple process to fix the problem. Discuss a different set of items a month later and fix that one too. Create a metric (a measurement) that tracks progress and make the metric public.

Keep it up until you are done the list. Be sure to add items to the list that are more unique to your operation.

### **Parting shot**

Another thing that struck me was the complexity of the process to change items on the stock list. While you are having the discussion described above try spending a session on looking at all the business processes of the storeroom.

If you want to see something interesting get a sheet of quad paper (if they still sell it- or use Visio) and take a business process like Return surplus items to stock or the process to agree to standardize on one item (such as a particular bearing). Draw all the steps, authorizations, conversations, files created or changed, forms to be filled out to accomplish the objective. In our class adding an item to stock required 20 steps and a plant manager's signature!

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