Making Your Cycle Count Report Really Count

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AGENDA

- Why Cycle Count?
- Cycle Count Report
- What to Research
- Research
- Take Action and Monitor Progress

Why Cycle Count?



Maintain inventory accuracy



Maintain correct value of assets



Timely identification of inventory errors



Correct the causes of errors



ABC Analysis

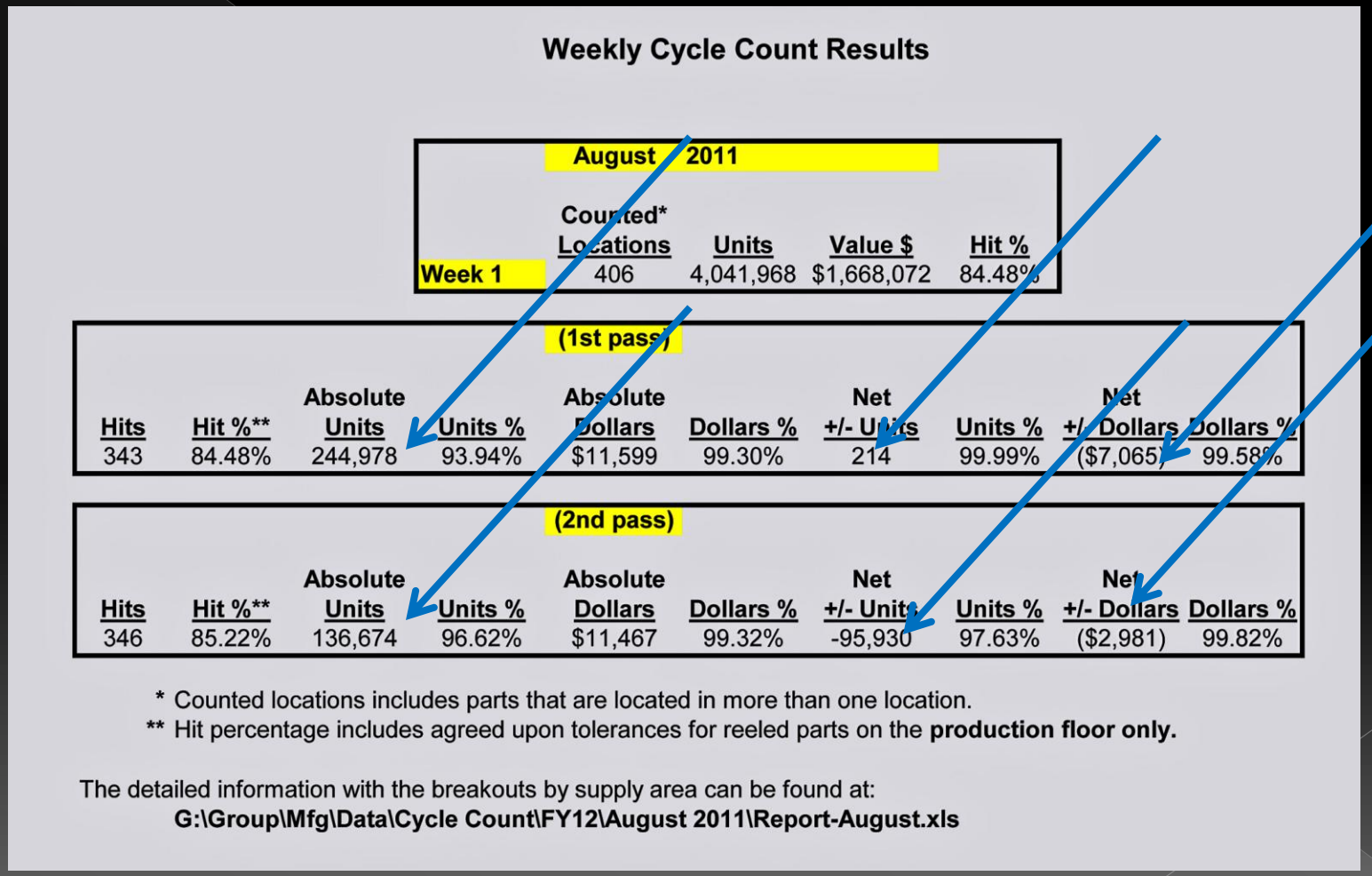


- A = 10% of items, 70% of cost
- B = 20% of items, 20% of cost
- C = 70% of items, 30% of cost





Weekly Report



Weekly Cycle Count Results

August 2011

	Counted* Locations	Units	Value $	Hit %
Week 1	406	4,041,968	$1,668,072	84.48%

(1st pass)

Hits	Hit %**	Absolute Units	Units %	Absolute Dollars	Dollars %	Net +/- Units	Units %	Net +/- Dollars	Dollars %
343	84.48%	244,978	93.94%	$11,599	99.30%	214	99.99%	($7,065)	99.58%

(2nd pass)

Hits	Hit %**	Absolute Units	Units %	Absolute Dollars	Dollars %	Net +/- Units	Units %	Net +/- Dollars	Dollars %
346	85.22%	136,674	96.62%	$11,467	99.32%	-95,930	97.63%	($2,981)	99.82%

* Counted locations includes parts that are located in more than one location.

** Hit percentage includes agreed upon tolerances for reeled parts on the **production floor only.**

The detailed information with the breakouts by supply area can be found at:

G:\Group\Mfg\Data\Cycle Count\FY12\August 2011\Report-August.xls

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COMPARE DOLLARS

CYCLE COUNT ANALYSIS - Dollars

August

rollup		Counted		1st		Net	2nd		Net	Absolute	1st/2nd pass
Month	Week	locations	Book dollars	hits	hit/miss%	dollars	hits	hit/miss%	dollars	dollars	$ Diff
Wk1 rollup total	Wk1	406	$ 1,675,137.07	343	84.48%	$ (7,065.32)	346	85.22%	$ (2,981.45)	$ 11,467.18	4,084
Wk2 rollup total	Wk2	442	$ 2,482,322.01	376	85.07%	$ (898.28)	377	85.29%	$ 9,865.35	$ 27,258.70	10,764
Wk3 rollup total	Wk3	359	$ 2,041,722.96	309	86.07%	$ (3,308.42)	308	85.79%	$ (3,138.28)	$ 13,417.25	170
Wk4 rollup total	Wk4	415	$ 1,825,029.51	363	87.47%	$ (6,963.85)	362	87.23%	$ (3,192.99)	$ 20,816.19	3,771
Wk5 rollup total	Wk5	376	$ 2,481,267.18	320	85.11%	$ (2,972.89)	321	85.37%	$ (3,823.04)	$ 7,223.02	(850)
Grand Total	TOTAL	1,998	$10,505,478.75	1,711	85.64%	$ (21,208.76)	1,714	85.79%	$ (3,270.41)	$ 80,193.24	17,938

Ship		Counted		1st		Net	2nd		Net	Absolute	1st/2nd pass
Month	Week	locations	Book dollars	hits	hit/miss%	dollars	hits	hit/miss%	dollars	dollars	$ Diff
Wk1 Ship total	Wk1	28	$ 286,283.89	25	89.29%	$ (508.74)	25	89.29%	$ (508.74)	$ 508.74	-
Wk2 Ship total	Wk2	68	$ 517,179.54	68	100.00%	$ -	67	98.53%	$ 566.30	$ 566.30	566
Wk3 Ship total	Wk3	34	$ 186,509.67	34	100.00%	$ -	34	100.00%	$ -	$ -	-
Wk4 Ship total	Wk4	54	$ 273,696.85	54	100.00%	$ -	54	100.00%	$ -	$ -	-
Wk5 Ship total	Wk5	52	$ 465,947.76	51	98.08%	$ 132.49	51	98.08%	$ 132.49	$ 132.49	-
TOTAL	TOTAL	236	$ 1,729,617.70	232	98.31%	$ (376.25)	231	97.88%	$ 190.05	$ 1,207.53	566

ARMS		Counted		1st		Net	2nd		Net	Absolute	1st/2nd pass
Month	Week	locations	Book dollars	hits	hit/miss%	dollars	hits	hit/miss%	dollars	dollars	$ Diff
Wk1 DSL total	Wk1	7	$ 74,240.75	4	57.14%	$ (2,236.62)	4	57.14%	$ (2,236.62)	$ 3,110.42	-
Wk2 DSL total	Wk2	7	$ 13,225.33	1	14.29%	$ (4,496.43)	3	42.86%	$ 65.18	$ 4,627.02	4,562
Wk3 DSL total	Wk3	7	$ 23,318.53	3	42.86%	$ (1,950.58)	3	42.86%	$ (1,950.58)	$ 2,419.72	-
Wk4 DSL total	Wk4	5	$ 11,049.77	1	20.00%	$ (573.83)	2	40.00%	$ (33.33)	$ 721.71	541
Wk5 DSL total	Wk5	9	$ 29,448.62	7	77.78%	$ (325.22)	7	77.78%	$ (325.22)	$ 325.22	-
TOTAL	TOTAL	35	$ 151,283.00	16	45.71%	$ (9,582.68)	19	54.29%	$ (4,480.57)	$ 11,204.09	5,102

COMPARE UNITS

CYCLE COUNT ANALYSIS
Units

August

rollup				1st		Net	2nd		Net	Absolute	Counted
Month	Week	Locations	Book Units	hits	hit/miss%	Units	hits	hit/miss%	Units	Units	Diff
Wk1 rollup total	Wk1	406	4,041,754	343	84.48%	214	346	85.22%	-95,930	136,674	(96,144)
Wk2 rollup total	Wk2	442	2,394,526	376	85.07%	-9,713	377	85.29%	6,906	42,236	16,619
Wk3 rollup total	Wk3	359	1,051,460	309	86.07%	16,579	308	85.79%	16,316	34,074	(263)
Wk4 rollup total	Wk4	415	3,713,624	363	87.47%	19,342	362	87.23%	12,332	165,88[illegible]	(7,010)
Wk5 rollup total	Wk5	376	1,181,648	320	85.11%	-2,762	321	85.37%	-2,254	23,064	508
Grand Total	TOTAL	1,998	12,383,012	1,711	85.64%	23,660	1,714	85.79%	-62,630	401,934	(86,290)

SHIP				1st		Net	2nd		Net	Absolute	Counted
Month	Week	Locations	Book Units	hits	hit/miss%	Units	hits	hit/miss%	Units	Units	Diff
Wk1 SHIP total	Wk1	28	6,683	25	89.29%	-6	25	89.29%	-6	6	
Wk2 SHIP total	Wk2	68	78,973	68	100.00%	0	67	98.53%	35	35	35
Wk3 SHIP total	Wk3	34	9,633	34	100.00%	0	34	100.00%	0	-	-
Wk4 SHIP total	Wk4	54	13,936	54	100.00%	0	54	100.00%	0	-	-
Wk5 SHIP total	Wk5	52	10,117	51	98.08%	1	51	98.08%	1	1	-
TOTAL	TOTAL	236	119,342	232	98.31%	-5	231	97.88%	30	42	35

ARMS				1st		Net	2nd		Net	Absolute	Counted
Month	Week	Locations	Book Units	hits	hit/miss%	Units	hits	hit/miss%	Units	Units	Diff
Wk1 DSL total	Wk1	7	21,790	4	57.14%	-1,047	4	57.14%	-1,047	1,057	-
Wk2 DSL total	Wk2	7	26,459	1	14.29%	-16,014	3	42.86%	-1,127	1,417	14,887
Wk3 DSL total	Wk3	7	1,158	3	42.86%	-66	3	42.86%	-66	92	-
Wk4 DSL total	Wk4	5	8,940	1	20.00%	-743	2	40.00%	-22	64	721
Wk5 DSL total	Wk5	9	6,358	7	77.78%	-111	7	77.78%	-111	111	-
TOTAL	TOTAL	35	64,705	16	45.71%	-17,981	19	54.29%	-2,373	2,741	15,608

Activity #1 – What to Research?

ANALYZE RESULTS

- You have 5 minutes!!
- Determine which parts to rese
- Be ready to answer:



1. What information was important for <u>your</u> department?
2. What parts are you researching?
3. Why not the other parts?

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Activity #2 - RESEARCH

DETERMINE ROOT CAUSES

- Go do the research
- Be ready to report back



1. What did you find?
2. What root causes did you see?

ACTIVITY #3 - Take Action



- What would you do?
- Who needs to be involved in creating the solution?
- How would this change impact profitability?

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Monitor Progress



- How do you sustain the action?
- How will it affect inventory levels?

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Conclusions









Questions??



THANK YOU!

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