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| Parts and Service System  *An analysis by Revivify* | | | |
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# Executive Summary

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# Analysis

## Parts and Inventory System

### Detailed Process

#### Assumptions

* All invoices created from selling parts are eventually sent to accounts receivable
* Customer always pays if billable
* Parts found in FAST system will be found in the Parts & Inventory System
* Company accounts on diagram are not overdue

#### Process

1. The parts and inventory system process begins when a customer requests a part from the Parts Associate.
2. The part name or part number is given to the parts associate who will then looks up the part in the FAST System.
3. When the part is found in the FAST system, the parts associate can optionally print out a sheet of information with the part number.
4. The Parts Associate would then look the part up in the Parts and Inventory System
5. From here, it depends if the customer is internal (Service Technician) or external.
6. **Service Technician**
   1. The Parts Associate would check to see if the Service Technician has a work order (given to the technician by the Service Writer). Without a work order the Parts Associate cannot give the part to the Technician
   2. If the Service Technician has a work order and the part is available, the Parts Associate writes the part information on the work order. Then the part is given to the Service Technician to use in a service job. (See service system process on how this updates the inventory).
   3. If the Service Technician has a work order and the part is not available, the Parts Associate would ask if the Service Technician would like to add the part to the Order List. The Service Technician may choose to obtain the part elsewhere, or he may choose to add it to the Order List.
   4. If the Service Technician chooses to add it to the order list, the Parts Associate would write the part on the work order, and the Service Technician would return the work order to the Service Writer. The Service writer would put the work order aside, and contact the Parts Associate at a later time to see if the part is available. (See the Service System Process for further details).
7. **External Customer**
   1. If the part is not available, the customer would be asked if they would like to add the part to the order list (special order) and pay a deposit.
   2. The customer may choose no, and the customer would obtain the part elsewhere
   3. The customer could choose yes, pay the deposit, the payment is documented on paper, and the Parts Associate would add the part to the special order list.(See Order List/Purchase Order Process for further details)
   4. If the Part is available, the Parts Associate would ask the customer for their information (Phone Number/Name) to see if they already have a customer record in the system
   5. If the customer does not have a customer record, they are asked for information to create a record, the customer may optionally choose not to give any information to simply purchase the part
   6. If the customer does not wish to have their customer record created, the customer would pay and the Parts Associate would create/print an invoice for the customer (which in turn updates the Inventory in the system) and the customer would be given the part.
   7. If the customer wishes to have a customer record, it is created by the Parts Associate.
   8. In the case that the customer has a record, the Parts Associate would verify if the customer has a Company Account. If the customer does have a company account, the Parts Associate would print the invoice and give a copy to the customer (which in turn updates the Inventory in the system), and the customer is given the part. After this, an invoice is sent to Accounts Receivable.
   9. If the customer does not have a company account, the Parts Associate would also have to know if the part was Billable or Non-Billable.
   10. If the part was covered under warranty, the Parts Associate would create an invoice for the customer (which in turn updates the Inventory in the system), the invoice and part is given to the customer. An invoice is also then sent to accounts receivable.
   11. If there was no company account, and it is client billable the Parts Associate would apply any discounts that the customer is eligible for (note: the customer may not receive any discount), the customer would pay and the Parts Associate would complete and print the invoice (which in turn updates the inventory in the system) and it would be given to the customer along with their part.

### Activity Diagram



### Use Case Diagram



## Creating Order Lists & Purchase Orders

### Detailed Processes

#### Assumptions

* A part is needed, a part must be ordered (to begin the diagram)
* A Parts Associate may choose to wait for a reorder coming in to satisfy a back order
* If a Parts Associate choose to wait for the reorder to come in to fill the back order, he will stop trying to make the order

#### Process

1. Order lists are created in the system generally by Parts Associates
2. The Parts Associate would enter any parts needed to the Order List
3. The Parts Associate may or may not be aware of other orders that have already been made
   1. Due to no list in the system of previous orders(other than purchase order), there are times where the Parts Associate may be unaware of orders that have already been placed
   2. In some cases this can cause either parts to be ordered twice
4. If an order was already made, and the Parts Associate checks and a reorder contains the part needed, the Part Associate has the option to wait for that order to come in.
5. After the needed part(s) are added to the Order List, the Parts Associate can optionally choose to check the flagged reorders
6. The Parts Associate may also adjust the amounts for the reorder
7. If a reorder is attached to an order, the flag still remains in the system until the inventory reaches the set reorder level.
   1. If the Parts Associate is unaware of previous orders made and reorders were already attached to another order, it is possible now for a reorder to be doubled.
8. When the Order List is completed, the Parts & Service Manager contacts the Business manager with the total for the order. The Parts & Service Manager requests a Purchase Order Number from the Business Manager. The Purchase Order is given over the phone.
9. The Order List is now updated with the Purchase Number, and the Purchase Order is created
10. The Purchase Order is then faxed over to the Warehouse chosen(In most cases, the Regional Warehouse)
11. **Invoices are then sent to Accounts Payable from that order????????**

### Activity Diagram



### Use Case Diagram



## Order Arrivals

### Written Process

#### Assumptions

* Customer was charged a deposit while special order was placed

#### Process

1. The process begins when Maple Leaf Nissan receives an order (shipment arrives)
2. The contents of the box are then verified against the packing slip to see if everything matches.
   1. If they don’t match or something is broken on arrival the issue is resolved by parts manager
3. If the parts matches packing slip, the Parts Associate then brings up the order in the system
4. Parts Associate then checks to see if a part was on backorder
   1. If all parts arrives and nothing was on back order
      1. He then selects received in the system.
      2. The inventory gets updated at this point and the order is marked as complete
   2. If a part was on backorder
      1. Parts Associate then adjusts the purchase order in the system to account for packing slip
      2. He the selects received in the system
      3. The inventory then gets updated but the order remains as outstanding in the system
5. **For special orders**
   1. The Parts Associate may check if there was any special order with the current order.
   2. If there were no special order, the new stock gets added to the physical inventory
   3. If the Parts Associate discovers a part was a special order, he might set the part aside
      1. If the part wasn’t set aside, customer special order gets added with the regular inventory and may be sold to another customer looking for the same part
   4. If he sets the customer part aside, it is kept ready for customer pick up
   5. He may contact the customer to inform part arrival
   6. When the customer comes in to pick up the ordered part and pays for the part either using cash or on account depending on the type of customer
   7. The Parts Associate then prints an invoice and the inventory system gets updated at that point
   8. Customer is then given his special order part and the transaction is complete
   9. If the customer fails to show up to pick his special order part, the part gets put back in with the physical inventory
   10. After a prolonged period, the customer may even loose the deposit, if it was paid while ordering the special order

### Activity Diagram



### Use Case Diagram

## Customer Special Order

### Written Process

#### Assumptions

#### Process

1. A customer arrives at the parts desk ready to purchase a part that they have special ordered.
   1. The customer may have been called in and advised that their order has arrived. In this case the part has probably been set aside for them.
2. If the customer has not been called in to pick up the part the customer may just be checking in on the status or was advised to come in after so many days.
   1. The parts associate will verify the customers’ name and order. They will also check to see if the part was set aside for the customer.
   2. In the case that there is no part set aside the Parts Associate will check within the inventory system to verify if the part has been put into the system.
      1. Sometimes the part may not be in the physical inventory so the Parts Associate will have to check the packing slips from the orders that have arrived for the day for the customers’ part.
      2. Alternatively as well the part can say that it is in the inventory but not be physically in inventory.
   3. The part may not have been received yet and the customer will probably have to check in again later or wait for a call to come back in.
3. If the part has been retrieved for the customer then a customer invoice is generated and the customer will pay the remainder of their order.
   1. In cases where the part has not been located, may have been sold already, may have been used in repairs or may just not have arrived yet the customer can be refunded the deposit they paid.

#### Problems

1. Customers are not always advised of when their part is available.
2. Parts can be sold before the person who orders them ever finds out.
3. In cases where the part is sold and the customer comes in at some point later the sale of their part may not have been tracked and they may be advised to wait for a part that will never arrive
4. Parts are not always set aside for someone.

### Activity Diagram

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### Use Case Diagram

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### Part Return

### Written Process

#### Assumptions

#### Process

### Activity Diagram

### Use Case Diagram

## Work Order/Service

### Written Process (Creating Record and Work Order)

#### Assumptions

#### Process

### Activity Diagram (Creating Record and Work Order)

### Use Case Diagram (Creating Record and Work Order)

### Written Process (Assigning Work Order)

#### Assumptions

#### Process

### Activity Diagram (Assigning Work Order)

### Use Case Diagram (Assigning Work Order)

### Written Process (Finalizing Work Order)

#### Assumptions

#### Process

### Activity Diagram (Finalizing Work Order)

### Use Case (Finalizing Work Order)

## Creating Purchase Order Number

### Written Process

#### Assumptions

#### Process

1. The Parts Manager will have prepared orders and is reaching out to the Business Manager to get a purchase order number.
   1. The information the Business Manager needs at this point is the total of the order and the supplier it is being sent to.
2. The Business Manager will create a purchase order number and provide it to the Parts Manager who will finish the order and fax the order to the supplier in question.
   1. Once the order is faxed out the Business Manager needs to know of this as well for when the order is completed.

#### Problems

1. There is a concern that everything needs to be done in phone calls.
2. Has to sometimes track down invoices as they do not always make it to the Business Manager.
3. Multiple orders being processed for same item, missing out on discounts for bulk orders.

### Activity Diagram



### Use Case Diagram

### 

## Compiling Customer Invoices

### Written Process

#### Assumptions

#### Process

1. Every day the Accountant will begin to manually enter all of the necessary information from a collective of customer invoices. This is a pile of paper that the Account has to manually sort through.
   1. The important information on these documents is the totals for parts and labour and the invoice numbers.
   2. The other important information is how services or parts may have been paid for. This includes warranty, recall, discounts, or payments via cash, cheque, and credit or added on account.
2. The Accountant will add this information into the system towards the end of the day and if not completed will carry over into the next day in the morning. This is all manual data entry.
   1. Sometimes a customer invoice can be missing; in this case the Accountant will go and try to find the customer invoice by doing a general walkthrough.
   2. If the invoice is never found the Business Manager gets involved in finding it.
   3. As well sometimes the invoices can be handed in in rough shape, making things hard to read or interpret.

#### Problems

1. Customer invoices can be missing or illegible can lead to inaccurate data.
2. All the data entry is manual and time consuming. No electronic data.

### Activity Diagram



### Use Case Diagram



## Shrinkage

### Written Process

## Website

### Details

# Overall Issues