

Strategic Lean Project Report



Fiscal Year-End Transponder Inventory

Agency: Washington State Department of Transportation (WSDOT)

Partners and Customers: WSDOT Toll Operations, Accounting and Financial Services (AFS)

Project Impact

The WSDOT Toll Division improved the Fiscal Year-End Transponder Inventory process, resulting in a reduction of work time from 27 hours to 16 hours. With a 4-person team, this improvement freed up 44 man-hours to use toward other fiscal year-end work. This is especially important to the team members who are from AFS, as this is the busiest time of the year for them.

The reduction in man-hours required for inventory allows WSDOT to optimize resource usage. The man-hours saved can be redirect to other pressing fiscal year-end tasks. This results in better value to Washingtonians by using our available resources more efficiently.

Project Summary

At the end of each fiscal year, inventory of *Good To Go!* passes must be conducted to ensure that we have an accurate valuation of goods. Every year, a team of staff from WSDOT Tolling and AFS travels to three locations: the University walk-in center (WIC), Bellevue WIC, and Gig Harbor WIC. Inventory is also conducted at the Main Inventory location, which is collocated with the Gig Harbor WIC.

The inventory that needed to be account for included unusable inventory as well as unusable inventory. passes assigned to customer service representatives for fulfillment, sealed inventory,

The process originally took 27 hours total, and two workdays compared to our target of 16 total hours and one workday, which we want to reach by the next fiscal year-end inventory on 6/29/2018.

Through this project we:

- Removed unusable inventory that either needed to be destroyed or returned to the manufacturer for a credit. This reduced the loose inventory to only those that were assigned to the customer service representatives and fulfillment clerks
- Separated the three locations between two teams: one for the University and Bellevue WICs, and one for the Gig Harbor WIC and main inventory. This reduces travel time by utilizing staff that are closest to the inventory. Splitting the work also allows both teams to complete the work in half of a day and complete any necessary travel between the peak hours, instead of traveling during peak hours as was done previously.
- According to the old process, notes would be hand written about every box of sealed inventory, including box number, starting and ending tag ranges, tag type, etc. Instead, the new process uses a manifest supplied by the manufacturer with all of the same information already readily available.

Project Results



Time

Decreased The amount of total hours **from 27 hours to 16** hours.

Decreased The amount of workdays needed **from 2 days to 1** day.



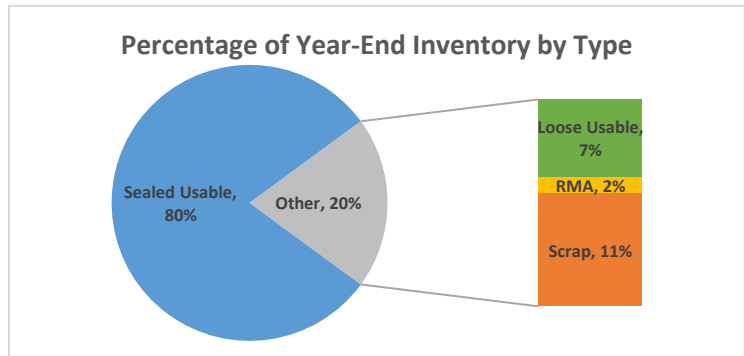
Extra time available for allocation to other fiscal year-end duties

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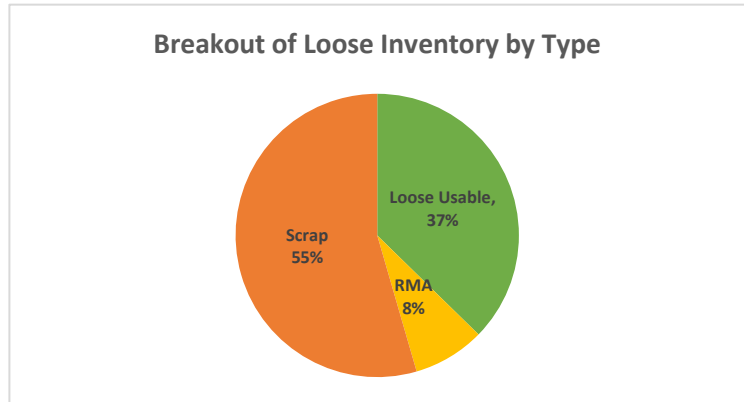


Inventory Type Summary

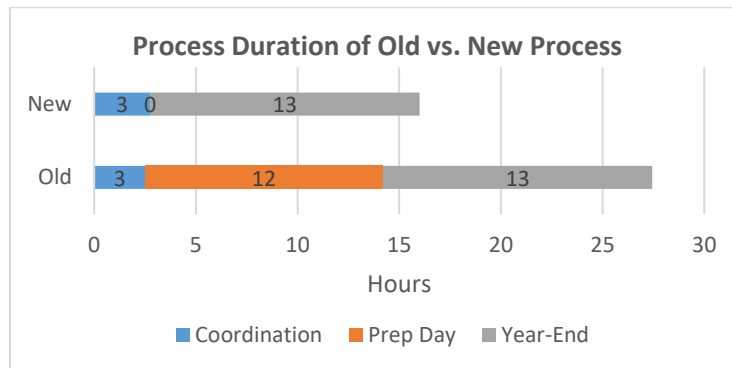
The majority of the passes were sealed inventory, which is counted by box/roll rather than counting individually. Although the sealed inventory made up 80% of the total inventory, it only takes about an hour complete this inventory. The majority of the time in this process is spent on the loose inventory, because each individual pass is barcode scanned.



Among the open inventory, 63% was unusable inventory made up of Scrap or RMA. Scrap inventory refers to passes that are damaged or otherwise cannot be sold and need to be destroyed, and RMA refers to passes that are defective and can be returned to the manufacturer for credit. Through this process improvement, the unusable inventory was removed, which will significantly reduce the time spent analyzing open inventory.



The chart below shows the reduction in hours for the process and the removal of the day.



Project Details

Date improvement project was initiated: 6/15/2017

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Report reviewed and approved by: Keith Metcalf, Deputy Secretary, Secretary Of Transportation