



Plastics Manufacturing Case Study

A global leader in plastics manufacturing offering engineering and design services, mold making, injection molding, and more for the Healthcare, Automotive, Consumer, and Electronics Industries. Operating six facilities around the globe, the company began to experience an increase in demand; thus a need to increase productivity without incurring additional labor or capital expenditures while upholding safety, quality, and customer service levels. The company engaged DB&A in a two-week analysis process to determine if DB&A might be the right resource to help them with this business challenge.



DB&A Analysis

DB&A consultants performed work studies to observe the management culture and employee engagement, including:

- Existing processes
- People
- Cycle times
- Business culture
- Organizational strengths
- Service
- Quality shortfalls

DB&A consultants also evaluated:

- Equipment
- Materials
- Inventory levels



The DB&A Difference

Analysis Financial Proposal

- Proposed Project Cost: \$971,250
- Guaranteed Savings Rate: \$2,039,625
- Guaranteed ROI: 2.1:1

Actual Financial Results

- Actual Project Cost: \$971,250
- Annualized Savings Rate: \$4,065,000
- ROI: 4.2:1

Project Results

- Increase in Labor Productivity
- Improved Machine Utilization
- Improved Communication

DB&A found that there were issues with the company's management infrastructure, resulting in communication breakdowns and operational inefficiencies.

The managers spent little quality time interacting with employees on the floor and there was no consistent process for supervisors to evaluate employees. The plant lacked a well-defined scheduling process creating labor and machine under-utilization. There was insufficient data and an inadequate understanding of the true capacities of the production lines. This meant that daily production was not predictable.

During the two-week analysis DB&A uncovered the true costs of these inefficiencies to the client. As a result, DB&A presented a project cost of \$971,250 with guaranteed annualized savings rate of \$2 million with a 2.1:1 ROI.

Implementation Actions

Management Operating System (WorkSite)

A key element of DB&A's solution was teaching supervisors how to utilize WorkSite, a comprehensive operations management solution designed to give supervisors the tools and metrics to assess performance of work throughout the shift. This was critical so managers could make proactive adjustments as needed instead of reacting to challenges after they happen. This was a fundamental change to how they managed in the past.

DB&A trained supervisors to recognize and remedy barriers that stood in the way of cost-effective performance. DB&A Consultants not only equipped these leaders with the metrics to measure progress, but more importantly, they taught the management team how to use those metrics to drive performance and influence behavior of hourly employees.

DB&A trained the management team to calculate realistic expectations for what constitutes a fair day's work. Objective scorecards for evaluating employee performance were developed. Now, supervisors are empowered to take action when goals are missed.

The team conducted more than 2,500 observations of various production line and offline activities. Through careful documentation, capacities were determined, and hourly production expectations were set. Each employee was given a tangible goal to achieve. The front-line managers were trained on how to support and engage employees to ensure that goals were being met on the floor.

Front-line managers were taught to follow up with their supervisors daily, driving consistent production. A communication process was put in place to promote the flow of information from one department to the next. This process gave everyone, even newcomers, a good idea of what's taking place for that shift and what will be handed off to the next one. Increasing the level of communication between management and the plant floor became a primary driver of production improvements and cost reductions.

Management Workshops

In addition to one-on-one coaching and hands-on supervisory training on the floor, managers and supervisors participated in a variety of workshops emphasizing the practice of clearly defining roles and responsibilities. These workshops taught concepts that included: Communication of daily and hourly objectives, setting proper expectations, how to do short term interval follow-up, addressing employee performance issues, and how to hold employees accountable.



Management Culture Transformation

DB&A's approach delivered a customized management operating system to create standard work and predictability of results. Overall culture improved as employees, managers, and supervisors established clear expectations for performance and became accountable for meeting set goals.

Since 1987 DB&A has provided cross-industry management consulting delivering 15-20% in operational and financial improvements to our clients with a financial guarantee. We deliver customized solutions that maximize existing resources to increase efficiency, capacity, and productivity. Our approach is to work with all levels of management to transform management culture in order to drive accountability where it matters most: the front-lines. For more information visit www.dbareresults.com or email contact@dbareresults.com