



# Planning Improves Productivity

PPC Flexible Packaging™ is a premier high-quality flexible packaging manufacturer dedicated to providing creative packaging solutions. Their capabilities and speed to market have always been their greatest strengths and they are a trusted leader within consumer and cleanroom markets.

The company had a growing backlog and customers became frustrated with the longer lead times. They reached out to DB&A to help decrease production times, increase profitability, reduce overtime, while achieving established sales targets. The CFO for PPC Flexible Packaging™ had previously experienced the results of partnering with DB&A while working at a Private Equity firm and made the recommendation of the engagement.

## The DB&A Difference

### Analysis Financial Proposal

- Proposed Project Cost: \$288,800
- Guaranteed Savings Rate: \$497,500
- Guaranteed ROI: 1.72:1

### Actual Financial Results

- Actual Project Cost: \$288,800
- Annualized Savings Rate: \$1,165,900
- ROI: 4:1

### Project Results

- 12-week backlog reduced to 6-weeks
- Supervisor interaction with employees improved over 300%
- Decrease in overtime by 24%
- Productivity improved by 16%

## 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

During the 2-week analysis, DB&A consultants identified a lack of planning and a reactive management style that was contributing to down time and creating a backlog of projects.

Due to a lack of sequencing the work, projects were extended because employees did not have the right tools, ink, film, information on colors, and support in place during changeovers. Observations also revealed that activities were being performed during the

changeover process that should have been done before or after, contributing to more delays.

While the main goal of the project was to reduce the backlog, the analysis team identified room to improve productivity, reduce overtime, and reduce scrap as part of the engagement.

DB&A reviewed how employees performed to the standard work processes, revealing the management culture was mostly reactive.

DB&A guaranteed an annualized savings rate of \$498 thousand which it would achieve through improving the management culture and overall planning processes.

## Implementation Actions

A changeover observation tool was implemented so that the supervisors could identify best practices and execute on improvement opportunities.

Workshops were facilitated by the supervisors and other members of the management team. Assignments were made at the end of the workshop with on the floor coaching to support. Workshops introduced tools to implement proactive behaviors.

In the past, metrics were a weekly and monthly focus. The DB&A team put daily metrics in place for the site. These daily metrics told them how well they were executing and when they were falling short.

DB&A worked to implement a reporting process that was updated daily. Managers and employees now see prior day, current week, and quarterly performance data.

The roadmap concept was implemented with projects being assigned to members of the management team. Part of this process included developing a work standard for changeovers, rewind reduction, mounting downtime reductions, as well as tracking and decreasing the amount of press time running below standard.

Weekly meetings were implemented to improve the planning and communication between leadership and front-line employees.

Cooperative Recovery was implemented to reduce the downtime of a press during a changeover. Press helpers were cross-trained so that they could assist with setting up a different press during the changeover for the next project. This team approach, along with better planning, kept presses running more efficiently with less downtime.

### Management Culture Transformation

The biggest improvement was the amount of time the supervisors spent on the floor actively engaged with their team. It went from 6.8% during the analysis to 27.3%, a greater than 300% increase. In addition, supervisors are no longer performing employee work.

The continued focus by management on improving the make ready process has allowed the plant to increase their number of make readies and increase the overall output for the plant.

The backlog of 12 weeks before the engagement was steadily reduced throughout the engagement, ending in a backlog of 6 weeks. Further drops occurred when a new press replaced an old one. Outsourced jobs have been brought back in-house.

Weekly average labor productivity increased 16.4% over the baseline. Weekly average overtime was reduced by an average of 24% compared to baseline.

This engagement paid for itself before the project had completed. Because of the success at this location, the client has called DB&A back to complete another analysis and project at a second facility.



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](http://www.dbareresults.com) or email [contact@dbareresults.com](mailto:contact@dbareresults.com)