



Packaging Company Empowers Front-Line Leaders to Make Decisions and Regains Competitive Edge

What began as a small contract packaging company, Praxis Packaging has grown into a multifaceted national packaging center serving the pharmaceutical, over-the-counter medications, and nutritional industries over the span of 35 years. The company was recently acquired by a private equity firm, with the focus of having management grow the top line, while also improving productivity, reducing costs, and enhancing competitiveness, to win new business.

The CEO and General Manager, both new to Praxis, recognized that leaders at the lowest levels within the organization were highly motivated and dedicated, but



lacked the necessary skills and experience overall to make crucial decisions. This shortfall stemmed from a previous organizational culture where decisions were predominantly directed from the top. The company had been fortunate to have had a history of success with leadership generating and facilitating the implementation of many great ideas and initiatives. While these leaders had achieved significant success in the past, they were not equipped to meet the pace required going forward.

The new General Manager, along with his leadership team, recognized the need for more employee development and cultural change from selected leaders. While the site leadership team was driving improvements, they were not able to do so at the rate or to the level required on their own to meet the new aggressive growth targets. They needed support in order to enable and accelerate the organization's desired objectives. Drawing from prior positive experiences with DB&A, the General Manager recognized the need for external resources to recalibrate the company culture and align it with the company's primary objectives to be more competitive and drive decision making down to the lowest level of management in the organization.

Analysis

The DB&A Analysis Team completed a comprehensive two-week analysis which substantiated management's concerns. Key issues surfaced, including:

- Opportunities for front-line leaders to further improve the management of their areas of responsibility.
- Lower-level supervisors pushing problems to upper management and waiting for resolutions.
- Overall, leaders were in a cycle of reactive problem-solving, often resorting to performing employee tasks themselves and not able to optimize their managerial duties.
- Unnecessary downtimes during shift transitions and breaks.
- Lengthy and unplanned machine maintenance and line changeovers.

Further scrutiny uncovered the root cause of inefficiencies, productivity obstacles, and varied work standards. These issues were exacerbated by a lack of employee performance tracking and utilization reporting.

Implementation Actions

DB&A's unique business model qualifies and quantifies the magnitude of waste and then designs a custom project to capitalize on the opportunities. After the initial two weeks of studies and analysis, DB&A's project implementation focuses on working with front-line supervisors to equip them with the tools and skills needed to effectively manage their people on a day-to-day and hour-by-hour basis.

As with all projects the process of defining roles and responsibilities at every level of the organization was step one. Once front-line management teams understand their defined areas of responsibility, they are empowered to solve problems and implement solutions necessary to succeed.

DB&A next step was to establish tracking and reporting systems, providing leaders with actionable insights to identify and address operational bottlenecks. Daily and weekly meetings were instituted to streamline communication, fostering a culture of transparency and accountability.

Our consultants provided 1:1 coaching to supervisors on how to effectively manage their areas. This coaching empowered front-line leaders to recognize when deviations from production goals arose and how to address them. A series of workshops were held to provide additional training on reading reports, identifying variations in data, and implementing solutions. Daily and weekly meetings were scheduled to open lines of communication across the organization.

Operational enhancements were implemented, with a concerted focus on optimizing production lines and curtailing lead times. Through collaborative efforts, accurate work standards were established, facilitating proactive scheduling and resource allocation.

Daily meetings served as forums for setting performance expectations and enforcing adherence to operational protocols. As an example, one of the protocols implemented required all lines to start within two minutes of the shift start time.

Through cross-training, optimized scheduling, and the overall efficient coordination of employees across the floor, the organization was able to realize continuous operations running through breaks and lunches. Improved communication from shift-to-shift, along with



the implementation of hot-handoffs between shifts also significantly reduced downtimes.

Operations and maintenance partnered to determine and fine-tune optimal line speeds. Line supervisors received training to ensure their understanding of optimal vs. actual vs. standard and how and when to escalate any deviations from the optimal target.

This partnership opened lines of communication between departments allowing for changeover requirements to be planned, allowing for better coordination and seamless project transitions. Along with the organization of equipment, parts, and tools, repairs and regular maintenance duties the maintenance department was able to contribute to optimal standards of work being achieved.

Project Results

The end result of the project for Praxis was a team of front-line supervisors who were capable of being proactive and making decisions to resolve issues real-time. The lowest levels of leadership have taken ownership of the people, processes, and results. Praxis Packaging has improved quality, safety, service as well as productivity and is achieving targeted work standards, which has allowed them to improve their competitive edge in the industry.

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