

Standard Processes Increase Output

A leading manufacturer of a technologically advanced air suspension system for trailers experienced a rapid increase in demand. This spike in demand was causing them to fall short of their mission to deliver timely and cost-effective ride solutions to the global commercial transportation industry.

The company reached out when their on-time delivery rate had dropped to 60% at one of their plants. They needed to ramp up their ability to consistently meet the growing demand for their parts and knew DB&A would deliver results.



DB&A Analysis

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

- > Existing Processes
- > People
- > Cycle Times
- > Business Culture
- Organizational Strengths
- Service
- Quality Shortfalls

The Analysis Team found that front-line managers lacked consistent processes and did not engage in proactive leadership. The lack of engagement from managers left employees to make their own decisions about planning, scheduling, and production. This created a culture where employees did not adhere to any defined procedures and set their own expectations, which were not in alignment with the company's or customer's expectations of quality and service levels.

DB&A consultants also evaluated equipment, materials, and inventory levels and found opportunities to improve output with proper planning training, and standardized processes.

The DB&A Difference

Analysis Financial Proposal

- Proposed Project Cost: \$1,937,000
- ► Guaranteed Savings: \$5,811,000
- ► Guaranteed ROI: 3:1

Actual Financial Results

- Actual Project Cost: \$1,937,000
- Annualized Savings: \$15,017,236
- ► ROI: 7.8:1

Project Results

- Increased suspension output by 14%
- On time delivery improved to greater than 90%
- Axle Bank growth to over 12,000 axles

Four primary areas in which to focus the DB&A team's efforts during the project were identified as:

- Increased Suspension Throughput
- Management Skills Training
- > Onboarding/Training Program for New Hires
- Axle Bank Growth

Overall, the scope of the project focused on increasing throughput to catch up past due orders and meet the current customer demand. Building a stockpile of key integral equipment was now a pressing need. In addition, the development of the management team would focus on growing and sustaining an increased output of quality products.

Implementation Actions

The DB&A team began with clarifying the Roles and Responsibilities at each level throughout the plant. This ensured that each level of leadership was working within their station and drove ownership at the right levels.

DB&A coached supervisors to be proactive by following up with employees, identifying and addressing issues, and ensuring effective transition between shifts. In addition, they made training and development of their team members a priority.

Activity specific expectations were established and standard work processes were created throughout the plant.

Cross-department goals were brought into alignment to ensure a seamless flow of operations. This drove improved collaboration, resulting in more effective decisions when addressing Safety, Quality, Cost, and Delivery.

Weekly meetings were instituted for the management team to communicate progress to Goals, KPIs, and Action Items in their respective areas. Supervisors would report on next steps and identified future improvements and were held accountable for those items.

Daily meetings such as Shift Transitions and Daily Review Meetings became paramount to effective problem solving. Information exchanges now focus on issues identified during each shift and the potential

The culture has transitioned to a continuous improvement approach versus settling for the status quo. The development of key shop floor leadership to recognize opportunities to drive their teams through engagement has improved drastically. impact going into the next shift.

The implementation of the WorkSite system, a data and analytics tool, allowed management to monitor, review, and improve facets of the company such as performance and behaviors. This empirical data can now be used to make valuable decisions and improve planning rather than just focusing on plan attainment.

DB&A partnered with the management team to enhance their continuous improvement activities and remove barriers hindering daily performance such as lost time, diminished output, and shortage of inventory.



Management Culture Transformation

Throughout this process the client was able to increase throughput by 14% on suspensions. They got back on track with On-Time Delivery at 90%. The front-line supervisors increased their proactive onthe-floor time by over 200% by engaging employees consistently. This change in management culture resulted in increased discipline and accountability by front-line managers. In addition, there was an increase within their bank of axles from 0 to over 12k while catching up on the backlog.

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.dbaresults.com or email contact@dbaresults.com