

**TDG Helps Steel Plant Increase Efficiency By
18%; Cuts Reject Tonnage By 50%**



Background

- 600 employee division, part of a multinational corporation.
- Recent plant modernization efforts elicited little change in bringing production outputs to forecast levels.
- Production delays remained high despite management intervention.
- Maintenance costs were considered too high as a result of down time and other various department inefficiencies.
- Quality parameters for rejects, waste and rework, consistently ran short of the forecasted norm.

Pre-Program Situation

- Management had been striving to increase employee involvement and contributions for the past two years, with little success.
- Management staff did not function well as a team, thus creating barriers to cross-functional communication, undermining coordination and teamwork.
- Individuals were not fully aware of the authority, duties and responsibilities of their job position.
- Available operating data and analysis techniques were not being used to manage and control process variability.
- Recurring operational problems were not being addressed in an effective manner, having little input from hourly employees.
- Supervisory management styles were either too permissive or too autocratic and, as a result, were not conducive to supporting the desired team environment.
- Employees were reluctant to participate in process improvements due to a lack of trust in management.

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Program Objectives

- With management, develop a strategy for continuous process improvement.
- Establish and clarify roles, responsibilities and expectations at all levels.
- Develop specific goals and objectives for quality, throughput and equipment uptime for each department.
- Utilize on-the-job coaching to develop the leadership skills of supervisory personnel.
- Improve maintenance record keeping to recap data for performing down time analysis.
- Provide on-the-job coaching to increase the analytical skills of supervisory and hourly personnel.
- Improve maintenance planning and scheduling effectiveness and increase maintenance work accomplishment.
- Increase employee involvement and commitment through greater participation in problem solving activities.
- Install performance based reviews, complete with performance measures, to provide ongoing feedback.
- Develop more effective and proactive shift meetings.
- Make real, measurable improvements in maintenance delays, production output, and quality.



Program Results

- Records set for hourly, shift, daily and monthly tonnage. Average tons per hour increased 10 percent.
- Three consecutive monthly records set for percent reject tons. Overall, rejects fell from 2.08 to 1.06 percent.
- Maintenance delays dropped from 12.1 to 8.2 percent.
- Raw material throughput increased 8 percent, while quality control measures improved significantly (material defects fell 14 percent).
- Finishing and shipping departments increased their efficiency 18 percent, measured in tons per man hour.



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Program Results (cont.)

- Supervised operator's design and installation of equipment and systems checklists to improve preventive maintenance planning and scheduling.
- Reduced reporting levels of maintenance to improve breakdown response time and repair effectiveness.
- Developed and utilized statistical and analytical tools to more effectively manage and control process variables.
- Supervised planning and execution of videotaping operational procedures for use in training hourly employees, recruiting "actors" and "actresses" from the hourly ranks.
- Performed extensive, "hands-on" coaching with all supervisors to support newly established roles and responsibilities, ensuring more effective involvement and overall team work.
- Managers and Supervisors are now much more confident knowing what is expected and what skills to use to support the continuous improvement process.

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