

TDG Transforms Client's Maintenance Department
Delivers Big Savings On Multiple Cost Fronts



Background

- 230 employee chemical plant, part of an international corporation employing 87,500 people in over 60 countries.
- Deterioration/downward trend in employee attitudes and motivation.
- Leadership in a state of transition from autocratic to participatory.
- Maintenance effectiveness and efficiency low.
- Inventory levels, both raw and finished, considered too high.

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, coordination and teamwork.
- Management roles and responsibilities were unclear.
- Maintenance was not effectively planning and scheduling their work.
- Transition/changeover times between product runs were too long.
- Managers/supervisors permissive and unwilling to accept their roles and responsibilities.
- Employees unsure of management's direction and displayed definite lack of trust.

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Program Objectives

- With management, develop a strategy for continuous process improvement.
- Modify the organization structure and align roles, responsibilities, expectations, authority levels and accountabilities
- Improve maintenance planning and scheduling effectiveness and increase maintenance work accomplishments
- Increase employee involvement and commitment through greater participation in problem solving activities
- Utilize on-the-job coaching to develop the leadership skills of first and second line supervisory personnel
- Reduce raw material and finished product inventory levels
- Increase first pass quality



Program Results

- Production realized a 14% reduction in equipment downtime.
- Maintenance stores inventory reduced by \$162,000 within an additional \$142,000 being identified as possible reductions.
- Maintenance and shipping overtime savings were accruing at \$17,000 per month.
- Reduced raw material inventory by \$1,600,000.
- Reduced finished goods inventory by \$700,000
- Reduced off-spec. product by 30%.
- Maintenance planning and scheduling system put in place along with performance indicators.

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