

**TDG Reduces Maintenance Costs by 12% Per Pound of Product**

**Downtime Reduced by 34%**

**Yield, Throughput and Efficiency Improve Significantly**

***Background***

- 500 employee polymer plant, part of a multi-national corporation
- Plant experienced declining profitability during recent years, operating at a break-even level
- Numerous plant management changes had occurred and recently had completed a major reduction in the manufacturing and management work force
- Forecasts varied from declining production levels in one major component to slight production gains in another

***Pre-Program Situation***

- Management had been striving to increase employee involvement and contributions for the past three years, with little success.
- The management staff did not function well as a team, thus creating barriers to cross-functional communication and coordination.
- Supervisory management styles were either too permissive or too autocratic and, as a result, were not conducive to supporting the desired team environment.
- Extensive training in SQC, problem solving and team building, had been conducted at all levels of the organization, but not being applied in day-to-day operations.
- Recurring operational problems were not being addressed in a timely fashion, at the proper levels and were often left for the management staff to resolve. (e.g., slow set-ups, raw material waste, poor quality, equipment reliability)
- Available operating data and effective analytical techniques were not being used to manage and control process variability.
- Employees were reluctant to assume process responsibilities or to participate in process improvements due to lack of trust in management, further impacted by recent layoffs.
- Operations were experiencing low first pass efficiencies and yields, equipment downtime was at unacceptable levels, and costs per unit were increasing.

***Program Objectives***

- Develop, with management, a strategy for continuous improvement.
- Establish steering committees to monitor and guide the continuous improvement process.
- Establish and clarify roles, responsibilities and expectations at all levels.
- Utilize on-the-job coaching to train supervisory personnel in effective leadership skills.
- Establish and develop skills to lead Natural Work Teams for problem solving and decision making and utilize these teams to address existing operational problems.
- Develop and utilize statistical and analytical tools to more effectively manage and control processes.
- Enhance information systems, as required, to better serve as a management and decision making tool.

***Operational And Tactical Results***

- Throughput increased 12%.
- Total cost per pound reduced to five year lows.
- First pass efficiency for highest volume production line improved 17%.
- Yields have increased an average of 13%.
- Downtime due to process upsets reduced 34%.
- Improvements to maintenance work scheduling and product change planning resulted in a 12% reduction in maintenance labor cost per pound of product.
- Reduced reporting levels of maintenance management and improved response time to customer needs.
- Increased employee involvement and commitment through greater participation in problem solving and decision making activities.
- Installed performance based reviews, complete with performance measures, to provide feedback on shift performance.

**For more information, contact:**

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