

Case Study – Cell Manufacture

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Sector: Metal Fabrication

Turnover: £3m

No of Employees: 57

The Team

Engineering Manager, Quality Manager, Purchasing Manager, Production Control Assistant, 4 Operators (cross functional)

Results

- Increased productivity by 200%
- Reduced floor space requirement by 72%
- Reduced lead time by 86%
- Reduced stock levels and WIP by 86%
- Set up Improvement Team & used Value Stream Mapping to highlight current business issues
- Improved staff morale by giving them an understanding of the 'Big Picture' and including them throughout the project
- Provided staff with training in various Lean Manufacturing disciplines
- Operators presented the successes to the Board of Directors via PowerPoint and a project briefing

Case Study Pictures



Objectives

- Increase productivity
- Reduce lead time
- Improve quality
- Reduce stock levels
- Improve staff morale
- Highlight key areas for Improvement

Major Issues

- Profit reducing
- Suppliers increased prices by 14%
- Energy prices increased
- Customers will not accept price increase
- Too much stock – lack of space
- Quality standards dropped
- Poor staff morale
- Lead times too long

New Methods

- Cell Manufacture
- Make to Order
- Kanban Stock Control
- Supplier Management
- Improvement Meetings
- Action Plan

Lessons Learned

- Providing staff with an understanding of the 'Big Picture' and basic Profit & Loss helped to gain buy in before project launch
- Suppliers need to be addressed to their own reduce lead times and improve quality
- Introducing Pull System dramatically reduced the amount of stock out on the shop floor
- Machine maintenance will need to be improved to ensure uptime remains at 100%

Future Opportunities

- Re-address 5S Workplace Organisation for new cell
- Create new Standard Operating Procedures for new methods
- Set KPI's and utilise Visual Management to drive improvements
- Utilise trained members of staff in other areas of the business to drive improvement projects

Solutions

Lean Awareness Training, Improvement Team, Value Stream Mapping, Line Balancing (TAKT), Waste Elimination, Pull System, Action Plan

Ongoing Support

Introduced an Improvement Manager to the business to manage daily activities. Occasional meetings to discuss progress.