



## ***Operational Transformation: Improving Productivity, Accelerating Performance, Increasing Profits.***

A global food manufacturer was searching for methods to improve productivity, which would increase profitability and reduce bottom line costs. There were also external pressures due to a market trend of financially healthy food manufacturing organizations being acquired by investment firms and having operational costs stripped as a means to increase company profitability.

The snacks division observed a cookie production line with significant process variation from shift to shift and from operator to operator. The company entrusted Myrtle Consulting Group to perform an analysis on the operations to determine best-practice solutions to increase production capacity and reduce costs. Myrtle consultants began the engagement by examining the plant's collaboration among departments, changeover and start-up procedures, production, maintenance and performance management.

### **Client Challenge**

#### ***Utilizing Passion to Assess Operations & Identify Gaps.***

Myrtle Consulting Group identified several deficiencies that attributed directly to low performance. Working on the line with the client's employees revealed an ongoing breakdown in internal communication and an evident lack of accountability. Myrtle consultants also swiftly assessed critical operational challenges in key areas:

#### **Changeover and Start-Up:**

- A lack of step-by-step standard process and activity definition
- Weak coordination between sanitation, maintenance and production departments
- Low percentage of on-time start-ups on all lines

#### **Production:**

- Scrap loss was not captured and analyzed
- Set-up and run-time parameter settings varied during and between shifts
- Visual tools and guides for operators on shop floor were non-existent

#### **Maintenance:**

- Incomplete work-order process
- Neglected details on work-orders
- Lack of role clarity between maintenance and production

#### **Performance Management:**

- Reporting was solely based on cost-accounting variance and failed to evaluate against operational goals
- Reactive vs. proactive employee behavior
- Inadequate line reporting for scrap, throughput and equipment downtime.

### **Myrtle Approach**

#### ***Delivering Operational Performance at an Accelerated Pace.***

Myrtle consultants utilized strategic operations acumen to implement its flexible deployment model to accelerate results. Myrtle consultants conducted hands-on workshops and trainings to supply employees with the critical knowledge for sustaining improvements. Consistent program management meetings, held daily, weekly and bi-weekly, were also formulated to enhance communication between departments. The implementation also encompassed best practice solutions to standardize operational performance:

#### **Changeover and Start-Up Processes:**

- Coached and developed members in RCA, Kaizen and SMED skills and techniques
- Planned and coordinated interdepartmental meetings

#### **Production Solutions:**

- Standard set-up and run-time parameters
- Visual operator tools and guides
- Tracking granular operational data
- Root-cause analysis

#### **Maintenance Strategy:**

- Methods to expedite work-order development
- Including production loss in Bad Actor evaluation criteria

#### **Performance Management and Organizational Development:**

- Converged operational and business performance metrics
- Integrated support functions
- Green belt training and supervisor coaching
- Refined oven monitor roles and process controls

## The Results

### Transformative Performance

The Myrtle deployment increased operational and employee performance, enabling streamlined production, reduction in waste and higher profit margins. Specific results delivered to the plant included:

Increased OEE by **11 points** and reduced unplanned maintenance downtime on key equipment by **62%**.

- Equipment history and data were analyzed and proactive tasks (SICs) developed to continually improve equipment care
- A committed and integrated planning and scheduling process, with a clear focus that results in higher equipment availability

Increased throughput by approximately **13%** and decreased scrap by **86%**.

- Systems that enable personnel efficiency and reduction of low-value/non-value added activities and drive a reduction in SOL
- A closed-loop management system where the right information is reviewed by the right people at the right time
- Installed performance metrics to resolve visibility and accountability inadequacies
- Provided people who work hard without consistent measurements of success with clear expectations – understood by all – at all levels

Downtime decreased by **41%**.

- Changeover and start up measured, monitored, owned and acted upon
- Line employees engaged and focused on execution and improvement
- Continuous improvement tools routinely utilized
- Production, sanitation and maintenance integrated and focused on changeover and start-up

