01 | CHALLENGE

Declining financial performance and productivity

A global dairy producer struggled with financial challenges, inefficient supply chain processes and major organizational shifts. As a result, the organization experienced declining productivity.

The client set goals focused on manufacturing performance to meet critical and volatile customer demands. With a company-wide emphasis on driving quick operational results, Myrtle Consulting Group assembled a team to improve performance and reduce costs for the client’s plants across multiple sites.

02 | SOLUTIONS

Implementing the Rapid Deployment Model

Through a networkwide productivity data analysis combined with specific on-site analysis, Myrtle Consulting identified opportunities for improvement in overtime labor spend (OT), straight time labor (cost per gallon), temporary labor spend, butterfat and skim loss and finished goods loss.

In partnership with the client, Myrtle implemented proprietary tools from its Rapid Deployment Model, which is focused on quickly scaling productivity results across the system. The team also developed an Overall Equipment Effectiveness (OEE) Program which is focused on production, maintenance and management operating systems.

RAPID DEPLOYMENT MODEL

PRODUCTION / WAREHOUSE

› Production planning and scheduling
› Loss tracking and analysis
› Escalation process / problem-solving
› Glide path development and execution
› Efficient changeovers / vertical startups
› Valet / yard optimization
› Operating envelope
› Centerline

MAINTENANCE

› Asset criticality
› Technical baseline
› PM routines
› Clean, inspect, lube
› Component change out / rebuild schedule
› Emergency work management
› Troubleshooting guides
› Maintenance windows

SUSTAINABLE RESULTS AND BEHAVIORAL CHANGE

› Leader standard work
› Leadership and frontline development
› SOPs and troubleshooting guides
› Personnel onboarding process
› Alignment with corporate strategy

PEOPLE / ENGAGEMENT

› Integrated management operating system
› KPI alignment
› Meeting and KPI definition
› Meeting effectiveness
› Short-interval controls
› Visual management
› Scorecard implementation

MANAGEMENT SYSTEM
Myrtle Consulting created an overarching mantra of “keep it simple and stay integrated” that resonated across the entire network. Among the key success-building activities, the team:

- Structured programs that maintained alignment around the Rapid Deployment Model for the system, while also tailoring the approach to each site’s needs
- Aligned key performance indicators and implemented daily direction-setting meetings, enabling operators, supervisors and managers to make timely data-based decisions
- Built an escalation process that triggered rapid mitigation strategies from the shop floor up to senior leadership
- Implemented a culture of Leader Standard Work to provide accountability and consistency across the organization’s leadership from supervisors to directors
- Implemented labor management tools that aligned forecasted production volume with the appropriate labor requirement and reduced overtime labor across the network without any service disruptions
- Developed and installed process controls, standard operating procedures and one-point lessons to reduce butterfat and skim losses by 15-20%
- Worked and maintained engagement with the client at all levels of the organization throughout implementation during the coronavirus pandemic

The partnership between Myrtle and the client began before the pandemic and carried on through its height, adding unexpected complexities to the project. The team persevered and achieved $20 million in annualized savings during the 32-week project.

The implementation of Myrtle’s labor management tools helped establish a budgeted amount of labor based on production volumes, line OEE and product mix by department. This empowered supervisors to cost effectively manage crewing schedules and provide predictive labor management for the plant. As a result, OT decreased by 56%. The cost per gallon price decreased 25%, and yield improved by 20% across all sites.

“From a people perspective, each Myrtle consultant displayed the ability to engage with everyone from the frontline worker to the executive team to create buy-in for the program. From a technical perspective, their methodology rolled out tools in such a way that resulted in both quick wins and more exceptionally provided sustainable processes to maintain performance after the formal engagement was completed. Myrtle is a firm I look forward to working with again!”

- Chief Supply Chain Officer