

MANUFACTURING

Proudfoot helps electrical products manufacturer consolidate operations and improve productivity

After a series of acquisitions, a major international manufacturer of electrical components faced slowing economic activity. In addition, many of the product lines and facilities acquired during the preceding years had not been optimally integrated.

came just as the company prepared to announce its plant consolidation plan. But rather than focus narrowly on the consolidation alone, Proudfoot also addressed plant efficiency on a broader scale, identifying more than \$26 million in potential savings through improved operating efficiency and reduced

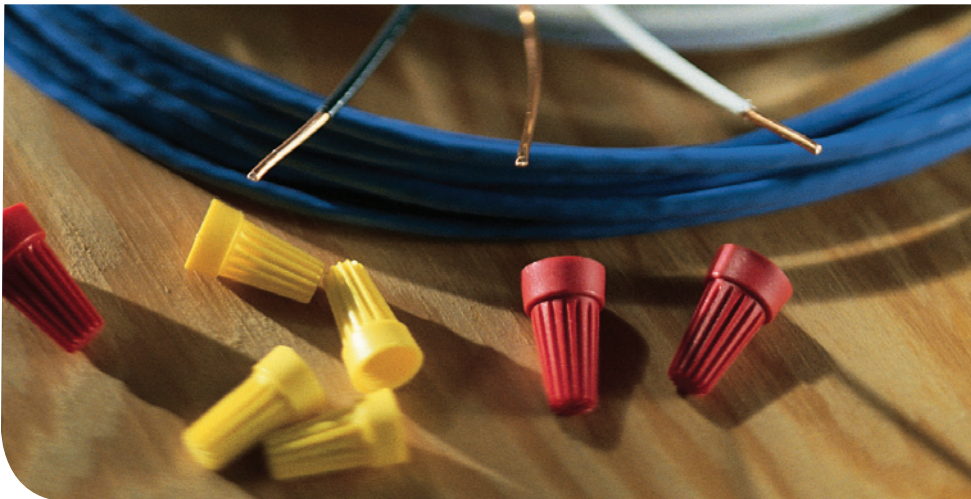
as well as industrial equipment manufacturers in North America and Europe. It operates more than 25 manufacturing facilities in the United States, Mexico, the Caribbean and Europe.

In order to address such a diverse and wide-ranging assignment, Proudfoot teams participated with company representatives in a plant-by-plant review of operating standards, labor productivity, training, production planning and reporting, preventive maintenance, and inventory forecasting and planning. Based on these reviews, Proudfoot introduced a broad range of improvements including:

- Reductions in scrap, inventory, and supplies
- Improved accuracy of production reporting
- Improved material handling, flow and scrap control
- Improved operator efficiency and equipment utilization
- Improved planning and scheduling
- Reductions in rework

Crucial to the success of these improvements were three systems implemented to keep operations running smoothly. They are:

- Management Operating System—including the use of Master Schedules to proactively staff plants to meet anticipated volume



In response, the company's top management developed plans to consolidate operations and concentrate on improving manufacturing productivity—but quickly recognized they faced significant challenges in carrying out the effort. The solution to the challenge came from Alexander Proudfoot, which was able to help the company not only to exceed its savings targets, but also achieve its goals months sooner than originally planned.

Proudfoot's initial Business Review

inventory, maintenance, supplies and freight costs. Ultimately, even this target was exceeded, and the total savings from improved plant operations eventually exceeded the savings achieved through plant consolidations.

The company designs and manufactures thousands of different electrical connectors, components and other products for electrical applications, serving the industrial, commercial, utility and residential construction and maintenance markets,

levels, as well as Schedule Review Meetings to identify off-schedule conditions promptly

- Maintenance Management Operating System—including maintenance management and activity tracking and reporting
- Tooling, Set Up and Changeover System—including the implementation of SMED (single-minute exchange of dies) techniques

In addition to these process and systems improvements, Proudfoot also addressed crucial people and skills issues through several training initiatives including Management and Supervisory Training and an Operator Skills Training Program.

The results of this multifaceted effort were noted at all levels of the organization. As one plant manager noted, *“You’ve changed the way we manage our business on a day-to-day perspective.”* Another pointed out that the Proudfoot-installed Management Operating System *“brought basic discipline to the production floor, directly to the supervisors and the group leaders, and gave them training they never had before.”*

Above all, the company achieved—and exceeded—its targeted savings goals, and is now prepared to increase capacity as economic activity accelerates. As the group president noted, *“The savings are there... we couldn’t have done it without you.”*

Savings by area

