

CASE STUDY

FOOD MANUFACTURER ACHIEVES RAPID RESULTS WITH RAPID IMPROVEMENT PROGRAM (RI)

CLIENT

A multibillion-dollar consumer foods manufacturer produces dozens of well-known brands, ranging from soups and snacks to pasta and pizzas. With operations in more than a dozen countries, the organization serves markets in more than 100 countries. PSbyM initially engaged with the company at four of its U.S. plants.

Manufacturing leaders often seek to boost long-term performance by developing organizational capabilities to drive continuous improvement. Yet internal constraints — lack of management depth, limited experience with improvement methodologies, missing performance management structures — frequently hamstringing their efforts, resulting in slow progress or none at all.

It doesn't have to be this way.

Performance Solutions by Milliken (PSbyM) has helped hundreds of manufacturing companies to improve by implementing PSbyM's proven management system — transforming their cultures and achieving game-changing performance. In 2020, PSbyM introduced a new Rapid Improvement Program (RI) for companies in need of rapid recovery or transformation.

OVER 12 WEEKS, PSbyM PRACTITIONERS IDENTIFIED AND
INITIATED IMPROVEMENT PROJECTS TO ACHIEVE **\$3 MILLION**
OR MORE IN SAVINGS AT EACH OF THE FOUR PLANTS

PERFORMANCE-IMPROVEMENT OPPORTUNITY

The company has a history of strong performance, yet leaders were concerned that its improvement capabilities required an upgrade. "Over the years, the company had gotten to a point where it approached improvement academically and incrementally, instead of focusing on bold goals they truly wanted to achieve," says Phil McIntyre, PSbyM Managing Director. "They needed to quickly reinvigorate what they'd been doing."

Company executives had estimated that aggressive improvement projects

could generate cost savings of \$3 million annually at each of four underperforming plants. With the new RI, PSbyM committed to identifying and initiating these projects in just 12 weeks. This rapid deployment contrasts with traditional PSbyM engagements during which a full performance management system is deployed; all improvement pillars/principles of that system are applied; and PSbyM practitioners help plant staff, from managers to frontline associates, achieve the identified savings while on site for one to two years.

Implementation of the RI was possible because the plants already had improvement infrastructures, allowing PSbyM practitioners to swiftly transform specific aspects of their operations. **Each of the four plants had a different focus for PSbyM:**

- Decrease waste due to overpacking,
- Reduce changeover times,
- Improve overall equipment effectiveness, and
- Reduce finished-product waste (goods defined as off-quality).

WORKING WITH PERFORMANCE SOLUTIONS

PSbyM practitioners — two at each plant — worked one week on-site at the facilities, with another week off-site. During the first week, practitioners conducted assessments within the plants, confirming whether the potential savings identified by company leaders could be achieved — or if more was possible. Another feature of the RI was that only a single pillar of the PSbyM Performance Management System — such as Focused Improvement or Daily Team Maintenance — was selected for each plant and applied during the 12-week engagement.

“The RI is also faster because we focus the application and training on plant managers and shift leaders, rather than driving the concepts to hourly production associates,” says McIntyre. “Our work with this client gave leaders at each plant the knowledge and capability to implement the pillar selected for their facility, as well as the means to transfer that knowledge to frontline associates to ensure long-term, continuous improvement.”

Practitioners also coached plant leaders through a common misunderstanding seen when improvement efforts are driven by corporate headquarters: misaligned expectations among plant staff regarding PSbyM’s role. During the first weeks of the engagement, facility managers mistakenly viewed PSbyM practitioners as “additional hands” to implement specific improvement projects, rather than thought leaders and coaches focused on a broader transformation of their operations.

“We then escalated the messaging of our role through trip reports and communications, and we also threatened to end the engagement if the managers and shift leaders weren’t prepared each week for the work they would need to complete,” says McIntyre. “We also showed them specific examples of how they could carry the pillars forward and achieve the expectations that their leaders had established. We soon got them to understand that we were a conduit between them and corporate leadership, which changed the dynamic of the teams responsible for applying pillars. They transformed from resisters and wait-and-see individuals into engaged associates and site champions. They began to see us as trusted advisors, and the walls of indifference started breaking down.”

PSbyM drove the RI engagement’s success with three key attributes:

Practitioner talent:

Even during a rapid transformation, PSbyM practitioners were able to demonstrate deep process-improvement expertise. Years of manufacturing experience allowed them to enter four different production environments and quickly connect with plant personnel — talking the talk and walking the walk.

Disciplined deployment:

Despite the accelerated pace, practitioners maintained PSbyM’s disciplined approach. For example, if a process change is expected to require seven steps but succeeds after the third

step, PSbyM insists that all remaining steps be implemented to “close the loop,” ensuring that frontline associates fully understand not only the process itself, but the complete continuous-improvement knowledge behind the change.

Practical approach:

PSbyM approached performance objectives realistically, rather than establishing arbitrary parameters. For example, if the goal was to achieve a score of 80 percent, PSbyM didn’t view it as a pass-or-fail grade — i.e., achieving 78 percent was acceptable now, as long as a plan was developed to achieve the remaining savings. This prevented teams from becoming “stuck” on a project before proceeding to other low-hanging fruit.

Perhaps most important to achieving rapid results in just 12 weeks, PSbyM practitioners didn’t allow scope creep. “We didn’t let this thing expand, because it’s very easy to be looking at a piece of equipment and see another unrelated opportunity,” reports McIntyre. “When you start chasing everything, eventually nothing gets done. We stayed focused on what our initial-week assessments taught us.”

POWERFUL IMPROVEMENTS

Over 12 weeks, PSbyM practitioners identified and initiated improvement projects to achieve \$3 million or more in savings at each of the four plants. In addition to positioning the facilities for future savings, PSbyM also delivered significant returns on investment during the engagements, ranging from 3:1 to 11:1 at the plants. Performance improvements in the plants included:

- **28 percent** reduction in overpack waste
- **19 percent** reduction in changeover times
- **31 percent** reduction in minor machine stops (increase in OEE)
- **17 percent** improvement in off-quality

An additional benefit of the RI's focus on a single pillar is that it allows practitioners to share a richer, deeper base of knowledge with plant managers. "Many times in a traditional PSbyM engagement, we just don't get a chance to get down to that level of detail with a company — we're covering an entire plant, all pillars, and all employees," says McIntyre. "However, during the course of this engagement we did identify other pillar opportunities in the plants, reporting them to our client and pointing them to more savings in the future."

FUTURE SUCCESS

PSbyM's success at the four U.S. plants has led to continuing the engagement overseas: practitioners will perform similar rapid-improvement work in Europe and China.

KEY CONTACT

Phil McIntyre, *Managing Director*, Performance Solutions by Milliken
+1 864-503-1359, Phil.McIntyre@milliken.com

PUT PERFORMANCE SOLUTIONS TO WORK FOR YOU

Performance Solutions by Milliken® works side-by-side with companies interested in strengthening and improving their operations. The strategic approach that made Milliken one of the safest, most efficient manufacturers in the world is the backbone of the consulting and educational services that Performance Solutions offers worldwide. Performance Solutions by Milliken practitioners now serve over 400-plus operations, in 45-plus countries, across a wide variety of industries.

Visit www.PerformanceSolutionsByMilliken.com to learn more about Performance Solutions' consulting and education services.