

Success Stories

Challenge

The senior team of the Operations Group of a leading battery manufacturer was concerned about increased competitive pressures from foreign and domestic firms. Internal studies had showed the need to reduce costs and improve quality in order to maintain or increase market share. To meet this strategic challenge the senior team needed to engage every employee in the operations group in the effort to improve quality and reduce costs.

Approach

The Strafford Group (TSG) was engaged to work with the senior team to address these challenges. The senior team agreed on the specific objectives of the transformation process to be accomplished in the first year. Five functional areas were designated to participate in the improvement initiative: administration, finance, manufacturing, maintenance, and purchasing. Then the team agreed on the key measures to be used to track results across these functions. TSG help the senior team identify the essential capabilities and roles that would need to be put into place to support the middle management team and the employees in order to achieve the desired results. TSG used accountability based methods to design role descriptions for middle managers and front-line supervisors in each of the functional areas that clearly laid out expectations for the key behaviors necessary to support the initiative. TSG then planned and conducted leadership workshops for the middle management team. Drawing from its extensive experience in lean manufacturing and total quality management, TSG selected the tools and methods needed to achieve the targets and cost reduction and quality improvement. Drawing from the ranks of middle management and front-line supervision TSG selected a core group to be trained as champions for the improvement initiative. This core group was then trained in the key leadership behaviors and improvement toolkit so they were able to work directly with the management and employee teams who were tasked to make improvements throughout the operations group.

Results

In the first year 100% of the managers and front-line leaders had been trained within the first three months of the initiative. At the end of the second quarter of the initiative the executive scorecard began to show improvements in both quality and in cost reduction. By the end of the first year the range of cost reduction ranged from about 9% in maintenance (who had previously implemented a program of preventative maintenance to reduce costs!) to 25% in several administrative departments. Overall costs were estimated to have declined by about 15%. Quality indicators including waste, on time delivery, schedule and internal customer satisfaction had all shown improvement.