



CASE
STUDY

Competitive Business Solutions

REDUCING PRODUCT REWORKS, DEFECTS AND COSTS

From Value Stream Mapping to Continuous Improvement Coaching, CBS helped this client achieve 6 million dollars annually.

Competitive Business Solutions (CBS) executed an intensive process to address a long list of deficient processes that were a drag on product quality and threatened the client's ability to meet a key financial commitment.

The five and a half month project spanned hundreds of process improvement efforts and a concerted effort to upgrade the skills of a mostly junior workforce. An important emphasis was placed on maintaining critical production equipment and instilling new levels of discipline and individual accountability.

The result: significant reductions in unit labor hours, defect rates, and product rework; a return to on-time deliveries; and achievement of the client's fiscal 2017 revenue target.



CLIENT

A Tier 2 supplier of wings, with revenues of more than \$3 billion, contracted with Competitive Business Solutions in 2017.

The client took over production from a Tier 1 supplier that was reducing its manufacturing footprint. The plant had seen significant turnover in both its leadership and labor along with prolonged inattention to capital improvements and routine maintenance. These circumstances seriously threatened the client's ability to meet customer demands for delivery, cost, and quality.

INDUSTRY

Tier 2 Aerospace and
Defense Company

SOLUTION AREA

Operational Excellence,
Supply Chain

CBS works alongside your team to quickly resolve performance issues, implementing strategies that produce sustainable results with minimal disruption.

SOLUTION

Value stream mapping

Steering committees

Kaizen events

Continuous Improvement roadmap

Continuous Improvement coaching on site

Competitive Business Solutions (CBS) conducted a value stream mapping session to evaluate the program from a value-based perspective. From that perspective, CBS created a Continuous Improvement roadmap and a Project Improvement Team, or PIT, that laid out a comprehensive process to take on these issues. The team identified 577 action items necessary to improve plant operations and addressed them through full-scale Kaizen Events, “Point Kaizen Events” focused on single workstations, and “Just Do Its”—quick-hit fixes of issues with obvious causes and simple remedies. The number of actions grew to a total of 1035 as more were added through kaizen events and rapid response actions.

Among two especially troublesome areas the PIT identified were employee training and maintenance of the plant’s CNC machine tools—or, more accurately, the near absence of both.

EMPLOYEE TRAINING

The site was not providing basic program skills evaluation and training, a particular weakness in an organization where turnover among mechanics exceeded 40%. What onboarding procedures existed were largely ineffective, creating a steep learning curve and adding greatly to labor hours and cycle time and driving up defect rates.

The PIT responded by creating a program to teach program quality requirements. The training was administered to 42% of the site’s mechanics.

CNC MAINTENANCE EQUIPMENT

The team responded to deferred and neglected maintenance of the plant’s computerized machining equipment by cleaning and inspecting each piece, correcting observed defects, and establishing a schedule for regular inspection, cleaning, and lubrication. CBS created operator standard work that instructed team members how to inspect their equipment at the start of each shift in order to identify potential issues before they become catastrophic.



RESULT

Audits conducted 15 days after the conclusion of the training, and every 25 days thereafter, confirmed the approach’s effectiveness—as did the 60% reduction in rework labor hours.



RESULT

Equipment availability improved from 68% to 98% in 120 days, allowing for excess cash to be used for Continuous Improvement activities.

COMPETITIVE BUSINESS SOLUTIONS HELPED THIS CLIENT SAVE 6 MILLION DOLLARS ANNUALLY.

POWERFUL IMPROVEMENTS AND CONSIDERABLE INVENTORY IMPACT

Competitive Business Solutions helped the client save 6 million dollars annually. Program on-time delivery was increased from 77% to 100%. CBS reduced the client's labor hours by 14%, a total of 1,900 hours, and reduced quality defects by 43%. CBS also improved CNC equipment uptime 30% and implemented program basic skills training. At the time of departure, CBS had trained 42% of the workforce.

- ▶ Program on-time delivery increased from 77% to 100%
- ▶ Labor hours reduced by 14%
- ▶ Quality defects reduced by 43%
- ▶ CNC equipment uptime improved 30%
- ▶ 42% of workforce trained by time of departure

FUTURE SUCCESS

There were several gaps observed from the value stream mapping assessment. CBS successfully implemented a business cadence to ensure all levels of the organization were engaged in problem solving and created standard work for key shop floor tasks to create operational stability. As a result, all levels of the organization were aligned which created an environment of employee engagement which did not take place before the project.

After CBS's extraction, the client has sustained and continues to drive improvements due to CBS's constant effort to transfer knowledge and processes.

**Ready to optimize the transformation of your organization? We can help.
REAL BUSINESS CHANGE. FASTER THAN YOU THOUGHT POSSIBLE.**

Our operational problem-solvers bring unmatched industry experience, creative thinking and a collaborative approach to every client engagement. Call us at **973-509-0110 x147** for a private consultation to learn how we can help you with your continuous improvement efforts.