

PRODUCTIVITY IMPROVEMENT CASE STUDY

JULY 2015

"I have been to 418 of these workshops and by far, this was the best."

—Workshop Participant

Bottleneck Busting Increases Productivity by 13% in less than 3 months

CHALLENGE

Despite investments, output fell short of expectations.

Frustrated with the low output of commercial vehicle tires, a global manufacturer of tires looked for ways to increase it. Sales growth was fueling greater demand; they could sell every tire they made. Millions of dollars were spent on new equipment to boost output, but they were not producing the volume of tires required. Customers were unhappy and they were missing significant revenue opportunities.

SOLUTION

Throughput Improvement Workshop to analyze the process and develop solutions to boost productivity

At the plant, managers and engineers focused their improvement activities on the new machines to increase the output. While they were successful, they did not improve the system; they reinforced the silo effect. To find the biggest opportunities for productivity gains, the team analyzed the system, identified the process bottleneck, and provided short- and long-term solutions to increase productivity and output.

ANALYZE THE ENTIRE WORKFLOW: Pinnacle Strategies consultants guided a cross functional group of leaders and engineers to see, measure, and analyze the entire workflow. The team studied the tire manufacturing system from beginning to end, examining each stage in the flow, including the conveyors between the machines.

IDENTIFY AND BUST THE BOTTLENECK: Next, they trained the local manufacturing staff to see their production system with fresh eyes, paying careful attention to flow. Together, they studied and created a flow map that measured both expected output and the true output. They found the bottleneck was not at the machines, but at the conveyances between them. The most significant loss of throughput was due to Conveyor 1 being slower than the cycle time of the surrounding operations. This created a constraint and as result, reduced productivity of the entire line.

CLIENT OVERVIEW

REGION

United States

INDUSTRY

Automotive Component Manufacturing

CUSTOMER PROFILE

Multi-billion dollar global tire manufacturer.

BUSINESS SITUATION

To meet increasing customer demand, the company needed to raise tire output by 11% without more expense or capital spending.

SOLUTION

Pinnacle Strategies conducted a de-bottlenecking workshop, leading the management team to refocus, shifting their emphasis from optimizing productivity at individual machines to optimizing the overall production system.

RESULTS AND BENEFITS

PRODUCTIVITY AND OUTPUT
INCREASED **13%** IN DAYS

NEW INSIGHT DELIVERED

RESULTS

Output increased 13%

Stage by stage, the team adjusted the conveyor speeds, balancing the flow to support full utilization of the machines in the line, adding buffers and other process adjustments. As a result, in just a few days, they increased and maintained a 13% boost in productivity, while finding opportunities for more gains.

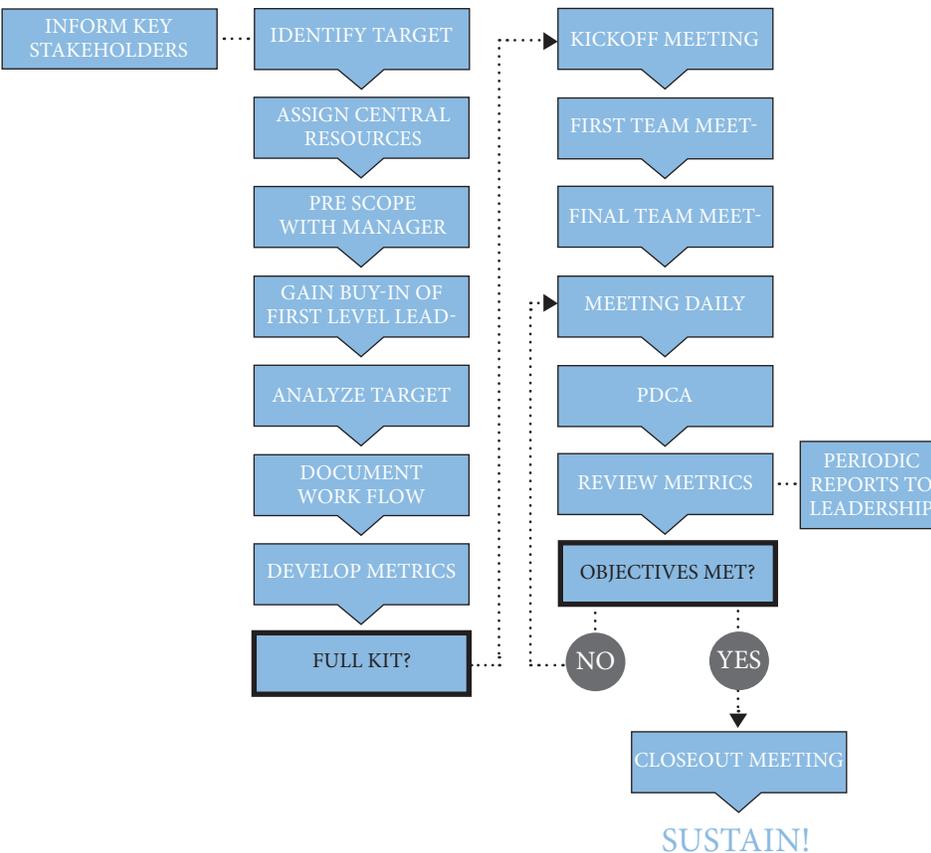


The **RABIT** approach identifies process bottlenecks and implements a strategy that relieves them quickly, usually within a matter of weeks. It uses a proven, built-from-within, “focused team” approach to make an immediate, significant impact on production processes.

Clients who have used the RABIT process report rapid results that include:

- Production increases of at least 20% in two months without additional costs
- Labor productivity increases and associated reduction in costs

RABIT PROCESS FLOW CHART



BEST PRACTICES SOLUTIONS

Pinnacle Strategies is an international management consulting firm focused on improving productivity. We work with organizations to increase shareholder value by developing high-performance business processes that significantly enhance productivity, reduce costs and time to market, improving profitability and accelerating sustainable growth. Pinnacle Strategies offers results-driven consulting solutions in the areas of performance management, project management, operations management, and supply chain.

RESULTS DELIVERED FAST

Book a best practices briefing for your management team. Contact Pinnacle Strategies at:

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