CASE STUDY

Situation – Driving continuous improvement in food manufacturing through lean transformation

The plant’s operations had stabilized since the sudden resignation of its longtime manager. But productivity was stalled in the bottom quartile of the company’s worldwide network. The new plant manager, from auto manufacturing, planned to apply her lean operations experience to quickly increase productivity by 10 percent. As she became familiar with the plant, she knew this could be doubled. However, no capital spending was allowed. She had to work with existing assets.

Client Description, Project Scope, Objectives

The plant’s kaizen teams confidently implemented lean initiatives for food manufacturing operations. But they struggled to find ways to improve productivity for engineering, maintenance and scheduling. The plant manager knew she needed lean management principles for knowledge work organizations. She learned of The Lab’s non-technology improvement templates and scheduled a meeting.

The company is the North American subsidiary of a European food processor. Most of the plant’s output was sold as branded and private label consumer products. The remainder was sold as commodity ingredients to other food producers. The Lab’s improvement templates accelerated the efforts of the existing kaizen teams. Off-spec product volume and inventory destructions were cut by half. The templates transformed the one-off activities of knowledge workers into lean standard work methods. The benefits of this process standardization were dramatic. On-time deliveries doubled. Unplanned downtime fell 40 percent. Plant productivity rose 20 percent.

A 7-week Phase I analysis covered all plant operations and employees. It delivered a self-funding, guaranteed work plan for the 6-month, Phase II implementation.

Lean Manufacturing in the Food Processing Industry Implementation Examples

The Lab implemented 250 non-technology process improvements. Examples:

- Standardized Plant Maintenance—Under-investment in scheduled maintenance led to costly downtime, late shipments, canceled orders and product returns. The Lab helped implement predictive, lean management techniques for maintenance. Process standardization accelerated maintenance technician routines. In 10 weeks, unplanned downtime fell by 20 percent—and kept decreasing.

- Packaging Upgrade & Standardization—Packaging problems caused product returns and machine downtime. The Lab helped reduce excessive, overlapping packaging options. The simplification accelerated customer selection time, increased employee productivity and decreased production changeover times. Packaging vendor consolidation enabled a no-cost upgrade to more durable materials. Machinery had fewer jams and spills.

- Dedicated Customer Teams—Volume was concentrated among a few dozen customers. To increase productivity, The Lab formed dedicated teams with members from engineering, production, procurement, billing and sales. Each team practiced lean continuous improvement. Repetitive errors and late deliveries were virtually eliminated for the largest customer accounts.