Success Story

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Inductive Components Production

Background

A big multinational company successfully started a production of electronic power supplies, remote controls, TV tuners, and modulators, etc. in North of Slovakia. The Japanese management also launched a production of inductive components there, to satisfy the needs of their company's European production plants. The production was running for 2 years, but it was over 50% less efficient compared to Asian production plants of the same company.

Problem

I was hired as production manager to improve the efficiency of inductive components production. Within a short time I found the reasons for the poor efficiency ratings. It consisted mainly in:

1) The technological subsystem

- there was practically no regular and preventive maintenance of the technology. The fact caused unexpected failures of machines and immense losses in production, on the other hand the level of chronic defects due to low level of maintenance and operation abilities of the production staff adversely influenced both, output and its quality
- spare parts were ordered in Japan and the production suffered from long delivery times
- ideas from operators to improve technical equipment were ignored by superiors

2) The social subsystem

- the staff did not understand their operations, just dully fulfilled procedures
- supervisors were not able to instruct operators in an efficient way
- the cooperation and information flow in horizontal (between departments) as well as vertical levels was insufficient

Remedy

1) In a month time, new maintenance strategy and maintenance manuals and plans were worked out and launched. The maintenance data were collected and continuously analyzed in order to improve the manuals. I regularly monitored the process.

Simultaneously, drawings of critical spare parts were made and the local workshops produced samples that were tested and used instead of those from Asia.

The above resulted in almost no production losses due to machine breakdowns.

The systematic approach to problem solving helped to remove some machine problems that resulted in saving two operators. Deep technology analysis and elimination of causes of chronic machine problems brought about improvement in production quality.

2) At the same time processes were analyzed and, consequently, new daily production objectives set and declared. Because new objectives almost twice outnumbered previous standards, the staff rose many objections. However, the objections could reasonably and easy be overruled, and a new plan of gradual reaching the new standard was set up. The staff did not believe in it, yet followed the daily schedules. The results were visualized and the problems solved in small teams. The initial unwillingness melted down and staff members became more active and involved. I explained the technical background improving the expertise of

staff, monitored activities, taught simple methods and praised good results. In a little more than four months the new production standards were reached.

The team leaders and supervisors learned some basics of problem-solving and conflict-handling. They became more confident and cooperative. Logistics and production planning enhanced the system of data acquisition and horizontal internal cooperation, which resulted in a better use of resources.

In consequence of the good performance of inductive components production a decision was made to enhance the inductive production and to transfer the inductive program from UK to SK.