CASE STUDY:

Sugar Producer Finds Sweet Success through Enhanced MOS and Employee Involvement

The Client

A large producer of sugar with several facilities in the Midwest and a long history in the marketplace. It is one of the largest, longtime employers in the regions where their multiple plants are located.

The Challenge

The company was in a bit of a tailspin. As a result of losing money that couldn't be accounted for, a toxic culture that rewarded cronyism, and significant experience lost during the COVID pandemic, a new CEO was put in place. He wanted USC to obtain a better understanding of the problems, identify solutions to improve packing efficiency, and turn the facility around.

We proposed a $1.3 million project and at that point, the CEO was only expecting a break-even ROI for the term of the project, which he called a huge win. We delivered much more.

As we looked into the company's current state of affairs, there were a few challenges that quickly became clear. They included:

No Management Operating System (MOS). One of the most powerful ways to ensure efficiency in any company is with a strong MOS. There were many key components that did not exist or existed in a less than satisfactory way.

No Key Performance Indicators (KPIs). How do you know if you're making progress without quantifiable measurements? KPIs are key to setting business goals and knowing whether you're on the right road to achieve those goals. They provide a map and a strategy, and guide departments and entire companies if they need to pivot in order to achieve the end goal. This organization did not have KPIs set up on a level more granular than per shift.

No Standard Operating Procedures (SOPs). It was a bit like the wild west in terms of shifts working in ways that they believed worked for them. But there was no standard to guide them.

Staff turnover. Because of the toxic culture, many key management staff and front line employees had either quit or were let go. This created a serious knowledge gap throughout the organization.

The Solution

As with any project, we started this one by watching, looking and listening. Step One was to observe three shifts to look at exactly what they were doing, when and how. After we got a handle on what was happening on the line, we could start to make improvements.

Here are a few of the things we did.

Employee Involvement Prototype. One of our areas of expertise at USC Consulting Group is a process we call the Employee Involvement Prototype (EIP). This project was a classic example of our employee involvement process and how powerful it can be.

It starts with finding proven successful operators within the organization. We sought out the employees, managers or shift bosses who were always getting the job done. We found out what they were doing right and engaged them to be part of our improvement process, part of the change going forward. Not only does it get people on board, but it provides invaluable insight into the day-to-day workings of the job.

Process improvements and standardization. We had a lot to tackle in this area because they didn't have a strong MOS or KPIs or standard operating procedures. This is also an area that is our bread-and-butter at USCCG. We know standardization and why it is the key to efficient operations.

Just one example: The shifts weren't keeping hourly data. If a shift was bad and didn't produce what they were supposed to produce, they did not have the "why." They didn't track anything.

We saw early on that standardization would be a big part of this puzzle. Everyone had their own way of doing things. For example, different operators were changing the settings on machines based on the "it's how we've always done it" principle. We needed to get everyone on the same page, and to do that, we established a standard for the machine settings that everyone was required to use.

Troubleshooting guides. A big part of working on the line with ageing machinery is how to properly troubleshoot problems as they arise, a common component in any manufacturing environment. Unfortunately, this company didn't have many standards or how-tos for troubleshooting. Everyone had their own "hack" that might work… but often, didn't. Sometimes one person's "solution" would cause an issue for other shifts. Our solution was to create and standardize troubleshooting guides with pictures and steps to take to fix common problems. These were assessed by shop floor personnel and management to ensure consistency and expected results across shifts.

The Results

USC proposed a $1.3 million project. The expectation was at least to break even on an annualized basis. **We delivered an $11+ million ROI.**

There was some pushback by staff in the facility, since USC was breaking the team from old habits. Employees who had always done things their way weren't overwhelmingly thrilled with the new operating procedures… until those results came in.

Our work continued to pay off with more positive changes coming. The CEO re-hired many of the good, longtime employees who were let go or quit because of the toxic culture. The Troubleshooting Guide is now being used to train new hires.

This project was a great example of the power of a great MOS and employee involvement.

For more information about how we can put it to work for you, contact us today!

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