

Case Study

4aBetterBusiness, Inc.

OPERATIONS IMPROVEMENT THROUGH EFFECTIVE EMPLOYEE ENGAGEMENT

4aBetterBusiness and iGrafx help a multilocation Metal Processing Company develop employee engagement reducing core operating costs and improving productivity

Background

Metals Processing Company has been in business for over 35 years, manufacturing formed metal products for agriculture, construction and other markets in the US and internationally. Starting with one location, the company grew organically and added production locations in key markets in the US.

The Challenge

While the business was strong, customers were exerting pressure for new capabilities and increased levels of service, and management was looking for opportunities for improvements. The primary goals were to get all divisions and departments to work together more efficiently and efficiently, and adopt or adapt best practices across locations.

Mike, one of the Division Managers, summed up the organizational challenge, saying, "The company continued to be successful, and our employees have deep expertise in our operations. To get buy-in from employees to pursue the next level of improvements, and tap into their expertise to help achieve them, we needed to see results quickly.

We couldn't spend months in training, then try to implement. Our operations are so integrated—we couldn't start with a pilot in one area and not others at the same time, to have a reasonable

chance of success. In addition, many of our employees have been with the company for decades and we faced a wave of retirements of senior personnel. Unless we took action quickly, much of that knowledge would be lost."

Mike and the rest of the Division Managers agreed that they had taken internal improvement efforts as far as they could and needed outside assistance to give them new perspectives, and a path the company could understand and follow.

The Solution

Paul Vragel, President of 4aBetterBusiness, met with the executives and discussed the challenges and objectives. 4aBetterBusiness uses a custom, process-driven and implementation-based approach to engage the experience and expertise of employees. Their methodology leverages technology providing visualization of processes and resources, specifically, the iGrafx business process management toolset. This approach and 4aBetterBusiness' know-how immediately inspires enthusiastic employee buy-in, participation and contribution to improvement, and employee ownership of the results.

"With this custom approach, we start by listening and

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observing," said Vragel. "We develop a high degree of trust with employees and they deliver in turn a lot of great information about how processes actually work, exposing issues that waste time, effort and money. Then we use that knowledge, employee buy-in and participation, coupled with our expertise, to rapidly reduce core operating costs, increase productivity and profitability, and accelerate growth. This approach also gives people direct experience applying process thinking and action in their own organization for ongoing innovation and improvement."

It was clear to the management team that this method, built around employee engagement and buy-in, was essential to meet their multiple objectives. Approval was granted to proceed immediately at all company locations.

Implementation

4aBetterBusiness efficiently worked with employees in every function and at every level, requiring only a few weeks at each location to capture essentially all the processes of the business. Said Vragel, "With the trust we build with employees and the speed with which we work, we collect a lot of information in a hurry. One of the key elements to success is to be able to understand and act on this information quickly. That's where iGrafx shines. iGrafx solutions let us document and share huge volumes of process information in a way that people can readily understand. We've used these tools for years, and clients really like the results they get. With visual process documentation, you can easily see how processes work across multiple functional areas. Loose ends and non-value-added activities are readily visible, and people can easily recognize opportunities to streamline operations and eliminate complexity."

Division Manager Mike commented, "Starting with our existing processes and seeing results extremely quickly developed the employee trust and buy-in we needed. Working directly in the language of our business helped everyone easily identify and resolve issues. In many cases we were able to implement changes immediately as we saw how the processes came together. Employees engaged and participated because they could see results quickly and recognize that they were part of the solution. We developed a significantly higher capability to identify and implement needed changes."

Vragel says, "The results that Mike described are part of our plan. When people see results quickly, the focus shifts from capturing processes to using the expertise of everyone in the company to improve outcomes. This overcomes the inertia that can get created when "as-is" and "to be" initiatives are totally separate."

As part of the effort, 4aBetterBusiness also developed photographic instructions for standard work across most production areas at each location. iGrafx provides a natural means of controlling and distributing process-related documents such as these instructions, or other documents or forms. Documentation and reference material can be linked directly to associated activities within process maps, which are made available to employees from a web browser. Employees can access a visualization of processes in which they are involved, as well as the current versions of specific instructions, forms and associated documentation at all times.

"Process visualization using iGrafx helped develop process thinking and action throughout the organization, and we developed new capabilities for ongoing improvement."

- The Division Manager

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The Benefits

The Division Managers cited a range of improvements achieved through process orientation, all within a few short months. In their core manufacturing operations, they achieved an immediate 6% productivity gain using existing resources. Nonconformances for a key account were reduced by 90%. Scrap was systematically reduced.

Metal Processing Company was also able to identify how to achieve an 11% increase in warehouse throughput and enhanced inventory control through adjustment of policies and practices in sales and production.

The driving force for those and other achievements was the improved ability to identify and adopt or adapt best practices within and among locations, extending to all business functions.

Mike, the Division Manager, also said, "The speed and thoroughness with which 4aBetterBusiness worked, and the trust developed with our employees achieved the engagement and buy-in we wanted. We captured expertise and built it into processes.

Process visualization using iGrafx helped develop process thinking and action throughout the organization, and we developed new capabilities for ongoing improvement." Mike continued, "Less than a year after we started, one of the Fortune Global 500 customers pressuring us for improvements came in for a facilities review. They were astounded at the progress made in a few short months. The lead customer representative observed that he wished his own organization had the integrated approach and elements (and employee buy-in) he saw in the systems and processes we had put in place." In the core manufacturing operations the Division Managers achieved a 6% producivity gain and nonconformances were reduces by 90%.

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