

Ritchie & Associates

The Performance Improvement Consultants, Since 1967

Ritchie Provides The “Missing Legs” For A Lean Transformation

Client Profile:

This public corporation is a leading manufacturer of durable goods and ranked in the Fortune 200. Historically, their increased sales revenue and market expansion has been driven through the acquisition of profitable, brand name corporations marketing a broad line of home improvement products.

The Need & Approach:

“Lean Enterprise” strategy was developed and significant success had been achieved in many manufacturing units over recent years. However, with 230 individual companies under the worldwide corporate umbrella, the Center for Manufacturing Excellence (CME) was reaching a “maxed out” status with regard to providing assistance at a divisional unit level. Although the resource development program was founded to foster “unit self sufficiency,” an aggressive acquisition initiative was widening the gap between “leading and lagging” production units relative to the transition to world-class manufacturing status.

One particular component manufacturing plant had been on a lean journey for several years. While training and value stream mapping were complete, the physical transformation of the plant to future state value streams had not been attempted. In the words of our client, “we are missing the legs in the field to get this transformation completed.”

The Work & Results:

Ritchie was engaged to Project Manage the plant transformation from current to future state. A project oversight committee was formed, which included the EVP of North American Operations, as well as key plant personnel and two members of the Ritchie Team. Detailed “Tentative Program Schedules,” supported by robust action plans and accountability schedules were developed. Teams were formed and tasks assigned by primary and secondary responsibilities. Members of the Ritchie Team took on a significant number of the tasks, particularly those related to the production floor. The transformation was complex because:

1. Major facility alterations were required
2. There were a high number of shared resource centers
3. Unit volume had been increasing 15% for the last three years and disruption to upstream assembly plants was a critical concern

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After a 33 week project, the physical transformation was successfully achieved resulting in a 50% reduction in inventory, 60% reduction in floor space, 30% increase in throughput and overtime was cut in half.

“Their tenacity, dedication to the task at hand and the skill sets of the people made the transformation possible.”

Plant Manager