

Ritchie & Associates

The Performance Improvement Consultants, Since 1967

Throughput & Productivity Gains Yield Significant Savings-\$2.5M

Client Profile:

Founded in 1987, this company began producing thermal-processed pouch products for the United States Department of Defense (DOD). Today they specialize in the production, packaging, assembly and distribution of high quality, shelf stable food products to the DOD and major branded food companies. The company is a leader in their market from both a technological and cost perspective and produces the highest quality products to meet, or exceed, their customers demanding quality expectations.

The Need & Approach:

Ritchie & Associates had performed work with an organization that was affiliated with this client and we were contacted to present our services to their Executive Team. Based on the work we had performed at the affiliated company, combined with our experience in the food industry, we were invited to perform an Analysis at their largest facility.

At the conclusion of the 3-week Analysis, we presented our Findings and Observations, Improvement Strategy and Proposal for working with their team to accelerate and augment their internal Continuous Improvement Program. The Proposal was accepted and we began a 27-week engagement with the client.

The Work & Results:

Working in conjunction with the client's team, Ritchie & Associates deployed an activity-based approach and defined every activity by position throughout the plant. From there, work-to-time relationships were established and this enabled the following:

- Standard Work and Best practices were developed that helped minimize or eliminate the non-value added activities from being performed.
- All production lines went through a detailed line balancing exercise and crewing guides were developed in conjunction with specified line speeds at varying crewing levels.
- Process Monitors were implemented to document performance and operating problems throughout the shift to take corrective action and increase line efficiency
- The cycle times for Shift start-ups and changeovers were reviewed and reduced.

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- Shift Schedules were analyzed to determine the right number of people at the right time.
- A complete performance metrics-reporting package was developed and implemented to allow all levels of employees to manage their area of responsibility more effectively.

The project resulted in a 17% improvement in output per labor hour. This improvement was a culmination of throughput and productivity gains and a reduction in overtime. The project netted a Return on Investment of 4.66: 1.0.

“The project was a success, as we achieved the proposed savings and then some. We recommend their services to any organization interested in a consulting firm that delivers on what they propose. In addition, they always conducted themselves in a professional manner and were a pleasure to work with.

Vice President of Operations