

Premier Instruments & Controls Limited

Fired up!

Premier Instruments & Controls Limited (Pricol) is a light engineering product manufacturer, with particular strengths in the automotive components sector. Pricol's manufacturing facilities are spread across four plants, three in Coimbatore, Tamil Nadu in the South of India and one smaller operation near New Delhi in the North.

At the time of the survey it was increasingly apparent that the automotive industry in India as a whole was facing significant change due to global competition. The business needed to reduce cost.

ANALYSIS

A comprehensive study of the business identified a number of key opportunities including:

- Labour & Staff Productivity
- Rework and wastage reduction
- Machine/equipment utilisation
- Yield
- Material planning & alignment
- Stockholding value
- Indirect:direct workforce ratio
- Product mix index
- Maintenance cost

Overall, the main project objective was to deliver 20% increase in shop floor productivity and throughput volume.

PROJECT

A three-man Renoir team recruited nine Pricol employees to form a Task Force. These individuals were taken off site and given extensive training to become the key change agents for the organisation.

Together, over a 10 week period, the definition stage was completed with an exhaustive analysis of the business and the potential for improvement. The opportunities identified were presented and committed to at the "Strategic Integration Meeting". Throughout the project, in excess of twenty business systems were developed.

All of the systems, and additional areas outside the concern of the project were united under a series of Balanced Scorecards. Education was key to ensure that the organisation fully understood and owned the new systems and methods. Of particular focus was confrontation training and auditing for system performance.

After proving the systems in about half of the business areas, in project week 30 the systems were rolled out to all other areas of the business. In total 15 separate manufacturing units, each comprising of 50 to 300 operators, were covered.

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"Uniform control and reporting systems have resulted in all people... thinking and working towards the goal of continuous improvement.

I am very happy that Pricol achieved the target of 20% improvement in productivity... Our people are now so fired up, we have agreed a minimum improvement target of 15% in all areas year on year, and we believe we can achieve it."

Vijay Mohan
Vice Chairman & Managing Director
Key Results

20% improvement in productivity

18% increase in volume throughput

30% reduction in machine downtime

11% drop in tool development hours

25% drop in cable manufacturing cost

5% Reduction in purchasing costs

- 20% Increase in BOM accuracy.

"The revised systems have established set intervals of control and review of personnel at all levels in the organisation structure. This has enabled us to identify and eliminate causes of inefficiency in the shortest period of time. We are now using this to drive continuous improvement."

Udhay Kumar, Vice President Manufacturing

THE RENOIR GROUP

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