

Powertech Transformers

Going back to basics pays off



"I'm confident that there are now more Supervisors in the business that are familiar with what is regarded as Short Interval Controls, Improved Planning and better Green Area Meeting Mechanics."

Bernard Meyer
COO

Key Results

Throughput time improved by 18.9% (weighted average all Classes) from time of Implementation

Active Management behaviours and Tools Audit scores of Supervisors and managers Improved from 22% to 86% (overall Improvement of 297%)

ANALYSIS

Following a volatile economic period, Powertech Transformers asked Renoir to carry out an initial Analysis to identify inefficiencies within the value chain. The findings showed a lack of an effective management control system, low levels of accountability, process instability and skill issues. As a result, Renoir proposed an implemented Project, committing to a 9% in throughput volume improvement.

Based on the strength of the Analysis findings and their belief that Renoir had the depth of knowledge and experience to deliver sustainable change, Powertech appointed Renoir to carry out a 35 week improvement program.

PROJECT

"Project Nitro", was focused on the development and implementation of:

- Systems and processes for Planning,
- 4 Production Areas (Fabrication, Windings, Active parts, Tanking)
- Despatch and Transport.

The following framework was used for the programme:



PROJECT INITIATION AND THE FOCUS PROCESS™

The Project Initiation and Focus Process™ spanned a total of 11 weeks. During this period, a Taskforce of Powertech employees was selected to work with the Renoir team on a full time basis. In addition, cross functional Management Action Teams (MATs) were chosen and trained. The MATs, although engaged with the Project for only a couple of hours per week, became the champions in engaging the entire Area in initiating change.

The purpose of this first phase was to make the organization understand and own the existing problems to facilitate solution development and implementation. During Renoir's Focus Process™, various exercises, brain storming sessions, observation studies and data studies were conducted to unearth the potential.

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DESIGN AND DEVELOPMENT

In the Design and Development phase, the MATs got together to design and develop all missing system elements identified in the Focus Process™. The purpose was to create ownership among the stake holders of the new systems.

IMPLEMENTATION – MAKING IT HAPPEN

As all concerned members of the organization were engaged at every stage, the resistance to change was absolutely negligible. And with the help of a proactive management team, any small resistances were easily overcome. After the solutions were tested in the real environment, extensive training was provided for the roll out. This helped the users to readily accept the new practices.

Planning:

The Production planning received no production data from the Factory and updated progress based upon 2 weekly meetings with poor update information. They now have access to earned hours per sequence from all Production areas and also Master schedule data for Absenteeism, Lost time, productivity and Overtime. A planning tool has been sourced which will utilise the earned hours input from the Factory Floor. The Planning meeting has also been streamlined to weekly and only pertinent attendees with relevant information. Standard times did exist but have been re-evaluated through the project and applied in each working area.

Production:

The Challenge at the start the peg in the ground was overall Turnaround time was 72.8 days from a base of 80 mixed size Transformers. The weighted average improvement on this after 3 months of Implementation was 18.9% against a Target of 9%. The Audits of Behaviours and Tools showed improvement in scores of 297% across the board.

Transport:

A transport backlog existed and the opportunity was, no structure, no KPI management and no communication upstream into the production process. The cost of poor quality associated with poor transport delivery was not managed nor was it measured. Along with this was the issue of a constantly changing production plan. The installation was 3 fold 1) A daily despatch / transport review meeting 2) Weekly management by KPI's and; 3) The installation of a visual board which is visible on plasma screens in 2 locations in the factory.

“We surely have certain areas (foreman) that did well and we can use those resources now to influence the rest.”

Steyn Roux
Works Manager

“The project was about getting the basics back into the factory. To quote Mikel Harry: “We don’t know what we don’t know and we won’t ever know until we measure” Getting production to measure is a step forward”

Phillip Swanepoel
Master Production Scheduler

THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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