

# Fibcom India Limited, India

Performance Improvement Project

"The project helped in improving our systems, processes and brought about close integration amongst the various departments. Many of the missing links in the system were closed. We appreciate the persistent effort put in by Renoir and the task force to make the project a success."

**L.N. Vishwanathan,** General Manager of Manufacturing

### **Key Results**

Return on investment of 300%

Productivity improvement of 45%

Power consumption reduction of 35%

On time in full (OTIF) improvements from 42% to 70%

Revenue capture reduced from 318 days to 207 days

#### 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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Fibcom India Ltd is one of the leading manufacturers of optical transmission products used in telecom networks. This Case Study highlights the results of a joint performance improvement project between Renoir Consulting and Fibcom India Ltd.

#### **ANALYSIS**

Fibcom India Ltd started in the year 1994 as a joint venture between ITI (Govt. of India subsidiary) and Tellabs, Denmark. As a Government Joint Venture company, Fibcom was assured of approximately 30% of the country's business as a result of a previous tender.

In November 2005, Suri Group; India's leading business group with interests in auto components, telecom, hospitality and auto retailing acquired the company from ITI.

Now, as a private entity, Fibcom's major challenge was to become cost competitive and also bring about a fundamental change in the way the organization worked and in the mindset of the people.

Three major opportunities were identified during Renoir's initial assessment:

- $\cdot \ \ \text{Improvement in asset utilization through better Production Control Systems}.$
- Better production planning & scheduling to optimise capacity utilization.
- Improve Sales & Marketing processes.

#### PROJECT APPROACH

In December 2006, Fibcom and Renoir jointly launched a Performance Improvement Project with the aim of enhancing performance in three core areas, Sales & Marketing, Production and Supply Chain Management.

A 30-week implementation program was planned with the following key stages:

**Stage 1:** Definition of the issues and opportunities in each area with the internal team.

**Stage 2:** Development of the systems required for effective control.

**Stage 3:** Sustaining the change process through the use of situational leadership audits.

Key Systems and Processes installed were:

- · Short Interval Control Systems in manufacturing.
- · Formal review structures across all hierarchical levels and timeframes.
- Sales & Operations Planning process implemented to align sales & operations and have "one-plan concept".
- Detailed daily/weekly Sales Planning at individual levels.
- New Customer Visit Records to manage hot prospects.
- Weekly Review Systems for all Sales person for improved accountability.

## **World Leaders in Sustainable Change**