

EcoUrbis, Brazil

On the way to excellence



EcoUrbis S.A. is a private company, operating since 2004. It operates waste collection services, transport, and treatment of waste, serving the population in and around Sao Paulo. EcoUrbis is one of the largest companies in its field in South America.

Key Results

Operations savings identified
R\$2,500,000 - \$5,500,000

Purchasing & Contracts
R\$2,000,000 plus savings

Maintenance cost reduction
R\$1,000,000

Total Savings: R\$3,000,000,
making the Project cost
neutral

Additional Benefits

Better organisation,
control and consistency of
operations & workforce

Creation of a Standard Time
registry for activities resulted
in better control over
performance

Better Purchase Order
accuracy and control

More transparency in
quoting process, assuring
that suppliers receive the
same level of information

More than 4,000 obsolete
items deleted from the
Microsiga database

ANALYSIS

Renoir Consulting Brazil conducted a three week Analysis of the EcoUrbis operation and identified the following issues:

- Under-utilization of the truck fleet
- Excessive costs of the support operation
- Identification of operational problems causing delays
- Decentralized and uncontrolled Purchase and Supply Process
- Potential risk of inadequate investment
- Potential threat to the Company's image
- In broad terms, 5 main areas needed improvement:
 - Management
 - Planning
 - Maintenance

PROJECT APPROACH

- Scheduling
- Behaviors

Management Control Systems were designed and implemented by EcoUrbis stakeholders and the Renoir team. Key activities and results included:

- Daily review meetings
- Analysis of results per shift
- Involvement of all stakeholders
- Clear view of the results
- Analysis of the actions taken during the shifts
- Development of Action Plans and a weekly cycle
- Extensive training was conducted including:

Driver Needs:

- Capability to interpret maps (collection plans)
- Knowledge of Operational Procedures
- Role as Collection Team Leader

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Training Characteristics:

- Simple content
- Sessions lasting no longer than 1.5 hours
- Perception change

Purchasing & Contracting:

- Designed and implemented a System that enhances control and performance measurement of the areas
- Designed and implemented a Contracting process flow that allows faster and simpler capacity adjustments
- Knowledge of work tools (truck and compactor)
- Understanding of their role with the broader organization Development of Action Plans and a weekly cycle
- Closely linked to real life experience
- Use of icons to aid recall
- Coaches who were involved in the operation and understood the needs
- Created an innovative model to centralize and increase efficiency and effectiveness
- Restructured the organization for more accountability

Maintenance Training Points:

- Understanding of Monthly/Annual Budget
- Activities Lists
- Table of Standard Times
- Base Period Performance
- Master Plan
- Daily Workshop Program (Preventive Maintenance)
- Maintenance Corrective Action Requests
- Service Orders
- Individual allocation cards
- Database of workforce and Service Orders

PROJECT RESULTS

- Daily control of workforce Use
- Daily Plan and control of activities
- Daily review meeting
- Daily allocation and timing
- Orders from the Supply Room
- Daily Availability Status
- Visual Management Panels
- Daily / Weekly Operational Report
- Weekly Monthly Management Report
- Weekly / Monthly Evaluation Meeting

Due to a number of municipality issues, modest financial benefits of R\$3 million were achieved so that the project was cost neutral. There were, however, a host of qualitative benefits that will ensure sustainability including:

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Operations:

- Better organization, control and consistency of operation & workforce
- Agility in correcting deviations
- Change of pro-active posture at all leadership levels
- Reduction of labor risks
- Team discipline toward daily performance indicators Database of workforce and Service Orders

Maintenance:

- Better supervisory follow-up and team productivity
- Change in posture and pro-activity to lead the teams
- More effective meetings and follow-up actions
- Creation of a Standard Time registry for activities resulted in better control over performance and workforce

Purchasing & Contacts:

- Contract database migrated to Micro-siga enabling better financial and tax internal control
- Less risk in internal control of service contracting
- More transparency in quoting process, assuring that the suppliers will receive the same level of information during the process
- More than 4,000 obsolete items deleted from Microsiga database
- Tools to avoid fines and schedule/itinerary non-compliance
- Improved inter-department communication
- Service improvement and significant reduction in complaints
- More speed in the supply of information of the events on the Sheet
- Better Purchase Order accuracy and control
- Better control over preventive maintenance activities
- Appreciation and understanding of service management concepts
- More effective shift changes and shift communication
- Better prepared purchasing team, with current tools and better purchasing and contracting practices
- Better prepared team for difficult negotiations and those that require a differentiated structure
- Follow-up of buyers' performance and that of the materials and services contracted
- Comprehensive negotiation training

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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