

CASE STUDY GMC Root Cause Problem Solving Program yields impressive results for manufacturers.

BACKGROUND

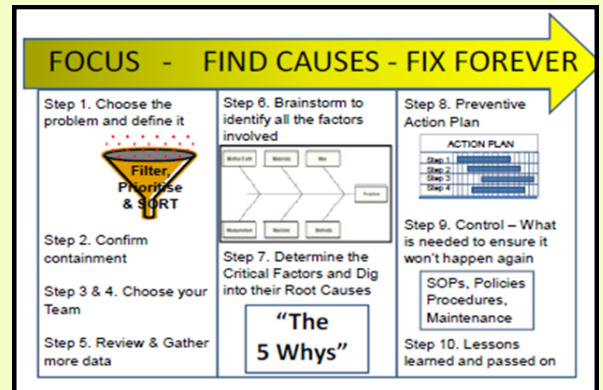
Following feedback from a member survey, the Geelong Manufacturing Council sought funding to run a Lean Problem Solving program.

The program was aimed at companies who were seeking to build on their Lean programs by training team members in problem solving methodology so that recurring problems and other issues could be successfully resolved. A major focus of the program was in coaching participants through the process, as they solved real life problems in the workplace.

7 companies from the Geelong region participated in the program.

RDV provided funding reducing the costs from \$2000 to \$900 per company.

David Scott from the Lean Sigma Institute facilitated the program.



LYONDELLBASELL—REDUCE ENERGY COSTS SAVING OVER \$150K!



At LyondellBasell, a manufacturer of polypropylene that is supplied to plastic product manufacturers Asia wide, the technical team took part in the RCA program. An area of increasing focus in the business was electricity costs due to re-circulation of finished products, which had been increasing steadily since 2008. Using the 5Why Mapping technique from the RCA toolbox, the team was able to establish a priority ranking list of the following drivers of re-circulation: when the usually continuous system was depleted of feedstock, or backing up downstream inventory, and when operators, unfamiliar with the shut down and start up procedures, switched the system to re-circulate instead of shutting down. Implementing new procedures and training the operators has seen electricity costs continue a downward trend over the last 5 months—saving \$150,000 without any capital investment required!

INCITEC PIVOT—WASTE REDUCTION PROJECT SAVES OVER \$75K!

Stuart Schofield at fertilizer manufacturer Incitec Pivot applied his learnings of the Root Cause Problem solving method to deal with a waste problem that was costing the company over \$500 per tonne. Using fishbone analysis the conveyors were identified as a clear cause and an action plan developed to improve them. A measurement and tracking system was implemented which highlighted a problem with one particular product. The RCA method was applied again, demonstrating a link between waste levels, humidity and temperature. Stuart was able to calculate the exact tipping point temperature and production schedules were amended to avoid producing this product on days of high humidity and temperature, leading to savings of over \$1,500 per week.



KINETIC—PROCESS MAPPING IDENTIFIES OPPORTUNITY TO SAVE TIME!



Kinetic Engineering, precision machinists and fabricators had a problem with their inwards goods system: frequently delivered items could not be found, leading to lost time and processing delays. Through mapping the process Garry and Dave were able to trace the cause of the problem—there was no clear procedure for incoming goods, and no identified storage locations for them. They implemented a new system using visual management and 5S techniques. Now, items delivered are found quickly, and up to 4 man hours per day have been saved! The techniques learned on the program are being used in other parts of the business to deliver improvements.