

Process improvement project delivers 20% increase in efficiency

In just 3 months since the Bergander business improvement programme was started, Garcross Engineering has recorded a 20% increase in efficiency and a 10% increase in turnover.

Garcross are precision sheet metal workers specialising in laser cutting and fabrication in stainless steel, aluminium and mild-steel. Over the past year the company has invested £800k in new plant and machinery and has set itself some ambitious goals.

Bergander was asked to help Garcross realise their true potential by defining and installing new 'best-practice' business processes.

David Crossland, Managing Director of Garcross said, '***the result is a total transformation in our operating capability. Some of us were a little reluctant to change at the start but Bergander guided us through a process that ensured we got there in the end. All of us are delighted with the end - result which means we can now concentrate on growing the business and not worry about things that in any good company look after themselves***'.

The Garcross programme was a tailored business process (enquiry to despatch) improvement project incorporating estimating and order processing systems.

The starting point was a Process Audit (see separate case study) in which obstacles to high levels of performance were identified. At a meeting with the senior management team we presented our findings and made some suggestions for performance improvement.

We suggested a number of changes that would impact upon strategy, people and processes. Strategically we suggested a shift in emphasis towards the utilisation of machines and people over. In terms of people we suggested some changes in responsibility and role and in terms of process we made a number of suggestions regarding the use of IT, the planning and job control method, the management methods and also the estimating and quoting process.

Garcross senior management agreed with our findings and decided to employ the services of Bergander to design and implement the new processes.

The project was short and sharp and we developed a new process (from enquiry received through to despatch of finished goods) with a small team of 4 staff. Between them, these people understood the business and working with them we discussed a variety of best-practice ideas. After the equivalent of 4 days development work we 'signed-off' the new process and then began the implementation phase of the project.

The implementation phase is almost always challenging. A range of technical change management skills but also strong people skills are required to lever out the old practices and introduce a new set of practices. The team who helped to develop the new process were now instrumental in selling it to their colleagues and helping to introduce it.

We worked hard on the list of actions that we agreed were required to bring the new process in. These involved changing documentation, making changes to Sage and communicating new ways of working. At 'go-live' the new process became operational. We had to make a few further refinements and one of the staff slipped back into the old way of working but the process was soon fully operational.

One member of staff explained how he couldn't imagine how they had worked before – a sure sign this new process was now embedded.

The new process put jobs onto the shop-floor faster, improved internal communication between departments, reduced waste and eliminated ambiguity in defining the requirements of jobs. With time the true benefits of the new process were clear to see.

Throughput and efficiency had clearly improved. The senior management team estimated that the project improved efficiency by 20% and that this in turn supported an increase in sales turnover of 10%.

Managing Director, David Crossland, later said of the Bergander project “***this provided us with a definite return on investment***”

If you would like to discuss an process improvement programme that will convert non-value added activity into productive time and identify and implement changes that will have a lasting impact on your business performance please give us a call. Our programmes provide a significant and rapid return on investment.

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