

First steps in turning around maintenance

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OVERVIEW

An Australian building products manufacturer was struggling with reduced demand and over the proceeding 5 years had undergone extensive cost cutting initiatives. Product demand had reduced by 50% due to product substitution and the global financial crisis.

THE CONTEXT AND CHALLENGE

The manufacturer had two production lines which consisted of very old equipment and a maintenance function that had seen manpower drop from 25 persons to 5 persons. As a consequence of poor moral and leadership issues maintenance was non existent with equipment only being repair on breakdown. Initially we started by developing a strategic plan to reduce costs for the manufacturing plant by \$25K per month, and increasing throughput. In order to start getting some discipline in the operation it was decided to start with maintenance. A pipeline of projects was generated with the first projects focused on getting organized with 5S and doing the basics.



Before Situation

FINDINGS

Holes in the building sides, missing windows and leaks in the roof were not conducive. Electric motors were laying in the dirt floor, and thrown on pallets which became submerged in winter rains. No organization was evident.

THE SOLUTION

A reorganisation of the electric motor store was an initial project selected and included replacing old racking, throwing out unwanted parts, fixing leaks in the building. Once new racking was installed a numbering system was implemented and the electric motors catalogued in new ipads. Now the clients had an inventory of stock that could be accessed online rather than having to manually check for stock. The Motors were allocated storage locations which were matched up with a location within the online system.



After Situation

THE RESULTS

While not necessarily delivering clear financial benefits, the company was able to start managing inventory properly and reduce the probability of reordering stock electric motors that they had in stock but could not find. For the staff it made the job of locating stock much easier and helped to start to build a deflated staff morale.