

CASE STUDY

Achieving Productivity Gains in the FMCG Sector



Aim	Optimize management, maintenance and overall plant efficiency
Project	Analysis and 12-month pilot project
Client	International FMCG company; 4,000 employees across 50 countries
T.A. Cook	Selected for experience in maintenance optimization and employee management

Background

An international FMCG (fast-moving consumer goods) company specializing in confectionery sought to standardize maintenance procedures across all their sites. The organization approached T.A. Cook to conduct an analysis and subsequent 12-month pilot project over all the firm's German production sites, the organization's fastest-growing market.

Approach

The initial analysis of the sites revealed many opportunities for improvement. The sites had no standardized process, the organizational structures were historically constrained and together with a sub-par work order system, the ratio of planned to unplanned work was low. The company was also missing a single, unified database, maintenance structures and were inefficient or not developed and roles and responsibilities were not identified let alone standardized.

The consultants discovered a variety of ways to reduce maintenance costs and improve overall equipment effectiveness (OEE). The goals for the project involved introducing standard maintenance procedures and a new unified work-order system to reduce workload by at least 10%. Then,

the sites should incorporate root-cause analysis methodology and continuous improvement mentality into everyday practice. By implementing an SAP PM module, the sites would enjoy a smoother transition of work orders across all stages. As a result of these improvements, the OEE was predicted to increase across all lines by 3-5%.

After a pilot project was set up to install IT and organizational solutions, three core processes were identified: planned maintenance activities, unplanned maintenance activities and optimization processes. Roles, responsibilities could thus be organized more effectively, and the role of schedulers was established.

With the help of IT workshops, the sites were able to create equipment structure(s) and optimize processes via SAP according to IT architecture. This program helped ensure continuity from work order notification to completion.

Achievements

The results of the 12-month pilot project were immediately apparent. The optimized maintenance system led to significant synergies and a reduction in planned and unplanned workload. The degree of planning for each job increased, allowing better utilization of maintenance resources and reduced demand for workshop capacity.

Overall, costs savings of more than 20% were realized, with more projected in the future.

Benefits

- Maintenance budget reduced by 17%
- Breakdown-related costs reduced by 50%
- Planned work ratio increased from 20% to 60%
- Overall savings range of €3.5m to €4.5m p.a.

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