



# Improving throughput and profitability through end-to-end quality and operations

Maine Pointe helped instill a quality culture at a growing manufacturing company

## The results

The manufacturing processes, quality systems and management routines Maine Pointe helped to implement across the organization resulted in:

- 22% production throughput increase
- 333% improvement in overall final 1st pass quality
- Reduced order backlog from 6 months to 2 weeks
- Reduced workforce turnover from a high of 174% to less than 20%
- 5% reduction in warranty claims \$ per unit
- Increased organizational effectiveness and communication at all levels

## This story is for PE executives and CEOs who want to:

1. Maximize the throughput of their manufacturing assets.
2. Build a consistent professional management capability and quality system to facilitate business growth.
3. Create consistent production and quality while reducing workforce turnover and performance variance.

## The challenge

Senior executives were concerned about quality and throughput at a market-leading manufacturing company. The company had made significant capital investments but had not seen the corresponding throughput results. The business required help to leverage and develop its current organizational resources to fulfill growing demand and take the business to the next level.

Plagued by quality defect issues and facing a growing sales order backlog, management recognized that they needed to improve quality to drive enhanced throughput and increase profitability and market share. They invited Maine Pointe to work with their management team and newly-appointed Head of Quality to develop and implement a Quality Management Operating System and help them instill a new management and quality culture.



## Instilling a quality culture

Our team found that the culture was one of ‘muscling through’ output. The company had no metrics in place and no quality measurements, disciplines or processes to help meet demand. Production was inconsistent and workforce turnover was high (around 40%). Management knew that they had a major problem but, with no quality systems in place, they did not know how to get better.



Maine Pointe’s approach to quality addressed every area of the business including, management, labor force, production, and operations. More specifically, our approach comprised:

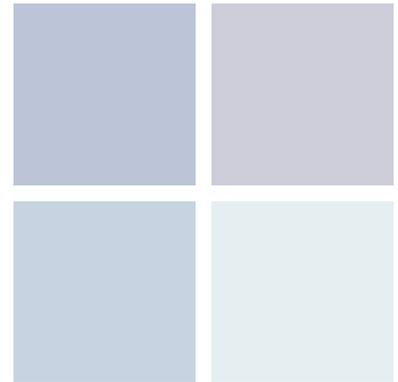
- Initiating a culture of quality through the implementation of a Quality Management Operating System with metrics and feedback loops to improve quality and reduce dealer warranty claims
- Increasing production throughput by developing a Production Management Operating System focusing on a data driven approach to managing the business and building to a plan. This increased management time on the floor and reduced downtime throughout the production line
- Implementing our differentiated Leader and Organization Improvement (LOI) approach which addressed management skills and employee turnover by developing work standards in conjunction with classroom training and on-the-floor coaching

*“We didn’t know the depth of the problem we faced until we had the right tools.”*

*VP Production*

### Lessons Learned for Other Executives

- To increase throughput in a business with a very immature operations function, you need to look into every area of the business
- Implementing a Quality Management System requires management buy-in and a change of behaviors across every function
- Planning is critical if you want to move a business up the Maturity Pyramid™, this requires engagement and change in the planning functions to fully capture the benefits of manufacturing capability
- A key way to improve turnover and management capability is through Leadership and Organization Improvement



Want to instill a **quality culture** and **improve throughput and profitability**?

Talk it through with one of our executives

Email [info@maineptune.com](mailto:info@maineptune.com) to arrange a call

### About Maine Pointe

Maine Pointe is an operational implementation focused consulting firm that accelerates measurable performance improvements in both EBITDA and cash flow for chief executives and private equity firms around the world. As specialists in procurement, logistics and operations, Maine Pointe is uniquely positioned to accelerate measurable improvement across the buy-make-move-fulfill supply chain to deliver the greatest value to customers and investors at the lowest cost to business through Total Value Optimization™.

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