

## CASE STUDY



## Process Optimization Quickly Yields Increase to Performance and Profit

4aBetterBusiness uses iGrafx to aid ICM Products in applying a process-centric approach to achieve significant improvements in on-time delivery performance, inventory and overall operating profitability.

### Background

ICM Products is a specialty chemical company, producing an industry-leading array of chemical compounds including silicone polymers, defoamers and specialty emulsions for a wide variety of applications. ICM's engineers draw on nearly 50 years of experience to develop custom chemical compositions to meet customer's exact requirements.

4aBetterBusiness, an implementation-based consultancy, works side by side with management and employees to achieve transformational results through operations, and leveraged iGrafx solutions with this engagement to help ICM Products meet their goals.

### The Challenges – Inventory & Delivery Performance

There are many reasons companies get into difficulties with inventory and delivery performance. In ICM Products' case, the combination of events involved an acquisition integration (using a large consulting company) that had not considered the full effect of the integration on ICM.

Levi Cottington, the new CEO said, "The real issue is not the circumstances leading to the problem, but the specific actions needed to rapidly recover and improve." He went on to explain, "We chose 4aBetterBusiness to assist us because of their practical, implementation-driven approach. They have a proven track record of ensuring employee engagement to get results."

### The Approach

Rather than attacking symptoms, 4aBetterBusiness started with a company-wide process capture and review of the system (people, processes, policies, practices, materials, equipment and information) at ICM. "We know 95% of the issues are embedded in the

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*-- Levi Cottington  
CEO – ICM Products*

system. The employees are the world's experts at knowing the local 'system' in their area. Using those insights provides a powerful basis for identifying issues, assessing potential solutions and implementing a roadmap for improvement", said Paul Vragel, President of 4aBetterBusiness. Vragel and Cottington chose Delivering Great Service to Customers as the overall focus – an objective everyone could understand and to which everyone could contribute.

Capturing the processes at a detailed level across the entire company produces a large amount of information. "That's where iGrafX comes in", said Vragel. "iGrafX enables process capture, analysis and design quickly and easily while providing features well beyond an ordinary mapping tool. The visual process approach enables teams to rapidly identify issues, risks, opportunities and potential solutions. Our clients find iGrafX easy to use and easy to modify as changes are evaluated and implemented."

Working alongside employees at all levels, 4aBetterBusiness used iGrafX to complete a detailed process capture and review across all functions, from sales through new product development, customer service, purchasing, production, quality, shipping and finance - in 30 days.

"Inventory and on-time delivery problems are especially thorny, since they involve integration among almost every area of our business," said Chad Pickle, Director of Supply Chain for ICM Products. "4aBetterBusiness engaged our employees in identifying issues and developed enthusiastic participation, contribution and buy-in. We started to make improvements almost immediately. The results provided the needed momentum for continued action and success."

## The Results

Within 6 weeks, process changes reduced working capital by \$300,000. Within 5 months, process changes improved on-time delivery performance from 50% to 86%. To achieve the next level of results, 4aBetterBusiness also led a project to implement a bar code / RFID system with ICM's existing ERP system. The project included location mapping for the entire warehouse, as well as weighing and inventorying all the raw materials and finished goods in the plant.

"The improved processes and technology enable much better control of inventory," explained Chad Pickle. "Now ICM Products has much better information about what inventory we have, how much and where it is and how it is moving. Use of this information has enabled us to reduce inventory while improving on-time delivery."

"We're delighted with the process and outcomes," said Levi Cottington. "Results so far have included improving on-time delivery from 50% to 96%+ while reducing inventory by 22%. As impressive as those results are, we're especially pleased with the way the process developed the buy-in of our employees. We will be able to sustain those gains and achieve ongoing improvements in performance and profits."

### For More Information

visit us at  
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