

FLATE Workforce Case Studies – Scenarios and Solutions

Case I.

- 200-person machine shop with several different lines of products.
 - Manufactures machined components and has assembly operations to produce finished products for sales to distributors and end users.
 - Product is nearly commoditized
 - Experiencing loss of margins, losing market share and sales to competitors including manufacturers in China
 - Competitors' products have undergone several redesigns in recent years
 - In plant:
 - Low morale, poor supervisory skills and leadership behaviors among managers and supervisory staff, high worker's comp costs
 - Equipment is old and in need of systematic maintenance
 - Ineffective production planning
 - High percent of finished goods not delivered on-time, high percent of returned/warranty items
 - Experiencing inefficient layout and processes, high level of work-in-process, inventory tracking is inaccurate
 - Extent and depth of the problems encountered is not clearly known, because there is no system for measuring and tracking company performance.
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Case II

- 22-person custom machine shop making specialized products for the medical industry
- Manufactures finished machined components to fill orders directly from end users.
- Product is customized
- Experiencing double digit growth in market share, revenues, and workforce
- Competitors' products use different technology
- In plant:
 - High morale, good supervisory skills and leadership behaviors among managers and supervisory staff,
 - Experiencing difficulty in recruiting and hiring enough medium-skilled staff; needed skills include knowledge and application of CAD software; machine programming
 - Equipment is new and well maintained; two new machines recently delivered in the last 3 months, bringing total to 8
 - ISO Certified
 - High percent of finished goods delivered on-time, 24-hour turn around
 - Experiencing inefficient layout as new machines are placed wherever there is room
 - Has undergone recent Sterling assessment; Opportunities include the need for a formal strategic planning process and a systematic company performance measurement system

Case III.

- 300-person builder of fiberglass boats, ranging in size from 17 ft to 36ft; variations include cabin cruisers and center-console models
- Manufactures completely outfitted boats for sales to licensed distributors
- Experiencing loss high and rising process costs
- Market share is dependent on development and production of innovative new models
- In plant:
 - Good morale, safety issues not critical but workers' comp worse than average
 - Equipment is in good condition
 - Ineffective production planning; production is built to forecast resulting in a high level of work-in-process
 - High percent of finished goods
 - Experiencing inefficient layout and processes, lots of scrap material
 - There is no cohesive plan or company direction understandable by the workforce, and no system for measuring and tracking overall company performance (other than financials)

Case IV

- 90-person cement roof tile manufacturer with several different lines of products.
- Manufactured product sold to public through distributors and roofing contractors
- Housing bubble has created a situation where the workforce has shrunk by 75% in the last 2 years. Company is experiencing tremendous loss of sales, loss of margins
- Competitors' are experiencing similar problems, and several have gone out of business.
- Competition is dependent on integration of technology into the manufacturing process
- In plant:
 - Low morale, poor supervisory skills among managers
 - Processes are manual, work flow is inefficient. Equipment that exists is antiquated
 - High percent of finished goods not delivered on-time, high percent of returned/warranty items
 - Extent and depth of the problems encountered is not clearly known, because there is no system for measuring and tracking company performance except for financials
