

CASE STUDY

Processing Operations

Direct Labor Standards

Objective

To develop and apply engineered labor standards introducing computerized work measurement to direct operations as the basis for continuous method improvement, maintaining and enhancing the client's position in the marketplace through cost reduction.

Scope

Evaluate and measure direct labor work content in processing and converting production line areas to improved standard practices and procedures.

Methodology

- Evaluate feasibility of operation for engineered standards
- Train client industrial engineering and supervisory staff
- Improve methods, quality, safety, ergonomics and yield
- Develop and apply computerized in each area based on improved methods
- Document labor and material savings in each operation
- Training and guided application using team approach, each team consisting of a consultant, industrial engineer, quality specialist and trained operator. Overall direction by joint client-consultant Steering Committee

Results

- Trained (7) industrial engineers and (85) supervisors in activity analysis, method improvement, computerized work measurement development and application techniques
- Provided software, hardware network and installed computer systems and database
- Direct labor work measurement coverage of 85%
- Implemented the program on schedule in (37) weeks
- Attained cost reduction goals
- Trained client staff expanded the program beyond two pilot plants (over 4000 direct workers) to (15) other plants multiplying the savings results and achieving a very short ROI and high multiple of savings vs. cost.