

Case Study

Deltron Emcon Ltd

Problem

Deltron Emcon, a subsidiary of Deltron Electronics plc, manufactures industrial EMC filters, patching products and connectors for the media and broadcast industries worldwide. The company first applied Lean principles to its production operations in 1998, but found it difficult to engage employees and to maintain momentum.

Increasingly competitive global markets and a need to improve profitability demanded radical improvements.

Description of Project

Nicholson Consultancy was employed to undertake a 2-3 year programme of training, development and consultancy to engage employees, transfer skills to Cell Leaders and Lean experts, and work with the Directors to develop an effective growth strategy and an operational excellence programme.

Approach

- MAS YH Diagnostic
- Training in Lean tools and techniques, problem-solving, leadership and change management

- Implementing a competence framework for the Cell Leaders; training and 1:1 coaching
- Implementing company-wide Team Briefing and Appraisal systems
- Developing the Visionary Leadership skills of senior management
- Value Stream Mapping the current processes to develop a Future State
- Training workshops to improve team-working and cross-team working
- An intensive work study programme to establish accurate cycle times for all products
- "Train the Trainer" programme
- Implementing a mixed-model Lean Assembly line using one-piece flow and Kanban material supply
- Training a project team in the PISO® process improvement method; using this to streamline key processes and to specify required ERP system changes

Techniques and Methodologies Employed

- 5S / CANDO / Workplace Organisation
- Structured problem-solving (5-step and Force Field)
- Seven Wastes
- Project Management
- Team-building exercises

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Techniques & Methodologies

- Simulation workshops
- One-to-one coaching
- Train the Trainer
- Improvement Forum
- Visionary Leadership Questionnaire
- Team Effectiveness Profile
- Team Briefing systems
- Appraisal and Development systems
- SPMC – Systematic Planning of Manufacturing Cells
- Ease and Effect group prioritisation

Outcomes

- Direct labour productivity > 20%
- Inventory reduction > 35%
- Lead times reduced from six weeks to one
- Cycle times cut by 75%
- Five separate manufacturing cells successfully combined into one Lean Mixed-Model Assembly Line
- Improved leadership skills across all areas and at all levels
- Back-office processes re-engineered and streamlined
- Overall savings > £200,000 pa

Commentary

The Company has gained significant benefits from improvement activities to date. The recent acquisition and integration of a related manufacturing business was accomplished in a matter of weeks, with no net increase in labour or floor space. NC is currently undertaking a MAS Strategic Intervention with the business, the first stages of which are a series of off-site strategy workshops with the Directors. Managing Director Bob Davis (President of AME UK) recently commented:

"Our experience in working with Nicholson has confirmed our initial thoughts and we are delighted with the way Nicholson has helped our company to improve. We would not hesitate to use them on future projects and we would recommend them to others"

Nicholson Consultancy Ltd

Pinetree Centre
Durham Road
Birtley
Co Durham
DH3 2TD

Direct Line: 0191 492 8210
Email: ch@nicholsonconsultancy.com
Web: www.nicholsonconsultancy.com