

What if you could...

dramatically increase throughput while reducing machine downtime by 20%?

With Proudfoot, you can.

When a major food producer was struggling to keep up with demand, we enabled them to transform their wall-to-wall operations and channeled the enthusiasm of their work force to break through tough performance barriers.

Before it grew into the multi-billion-dollar enterprise, our client's food production business began in the 1940s when an ambitious young farmer started packaging and selling the sausage he produced. His farm quickly became a destination for hungry neighbors and tourists, and the business grew to eventually encompass a national restaurant chain and distribution network for packaged food. In recent years, the popularity of its packaged foods had grown so much that it was a challenge for production to keep up with demand.

The acquisition of a new production facility had doubled capacity, but the new plant was faced with problems at nearly every phase of operations. Quality and service were suffering, costs were increasing, there was high worker and supervisor turnover, and the work force needed to be engaged.

When the CEO engaged Proudfoot, the holiday season was fast approaching. He needed to quickly reduce his unitary direct costs (cost per hundred pounds) and increase overall throughput to

"The plant is excited and enthusiastic, and our pounds and efficiency are steadily improving."

- PRESIDENT

RESULTS

16% reduction in cost per 100 lbs.

Record production

Overachieved production targets by 7.5M lbs.

40% increase in OEE

20% reduction in machine downtime

12% reduction in unscheduled maintenance

19 hours per week reduction in changeover time

Early Results: \$6.3M savings (achieved during life of project)

"The level of engagement has gone up greatly. There's a lot of pride there in our workforce. They want to know how they're doing, they want to improve. I think this not only helped us improve our operations and financials, but also the morale of our associates."

SENIOR DIRECTOR OF FINANCE



One of the biggest factors in the success of the project was the way Proudfoot engaged the enthusiasm and participation of the people of Bob Evans Foods.

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VP OF FOOD SAFETY

capitalize on seasonal demand. He was also determined to improve customer and employee experience without negatively impacting sales.

With a long list of challenges to address and an accelerated timeline, it wasn't going to be an easy task. There were numerous problems related to packing, sealing, and cooking, and many processes weren't consistent or effective. Inefficient changeovers and sanitation procedures were leading to excessive machine downtime. Workers were losing time fixing the same problems over and over.

Lack of effective communication and management visibility were major factors. "One of the issues we had was communication from the supervisor on the floor," said the President. Poor communication and silo mindsets had led to misalignment, as each department adopted its own metrics and interpretation of service level agreements. "One of our biggest problems was our management tools and the availability of information that we had to help improve performance," said the Senior Director of Finance.

There was also no accountability for performance on the lines. "You came in, you did your job, you went home. It didn't matter whether you ran good or ran bad," said a Production Line Lead. Making matters worse, a shortage of skilled workers caused the production lines to shut down multiple times each

day. Ineffective scheduling interfered with time-sensitive maintenance tasks, which contributed to frequent delays in production. Low morale and overall frustration were compounded by unrealistic daily and weekly goals tied to performance bonuses.

Together with Proudfoot, the CEO set a course to get the new plant on track. With no time to lose, the team got to work investigating the root causes of underperformance. A key to the success of the analytics phase was how Proudfoot put boots on the ground and built trust with the client at every level right from the beginning. "I am very proud of the entire plant embracing this project," said their VP of Food Safety & Quality Assurance. "At first you hear the rumblings and whispers of 'Oh jeeze another consultant.' This time they've seen success along the way and they've realized their opinion matters." This level of participation and trust allowed us to uncover opportunities for improvement that leadership would otherwise never have known about.

Proudfoot used an approach called Enterprise Aerial Mapping™ to give the client a bird's-eye view of the links between people, process and technology across their operation. Looking at how work really gets done including behaviors, processes and management tools, it was not just another process mapping exercise. This new lens highlighted the gaps across functions, units, and the company. Working almost





like an organizational 'truth serum', the process brought to light what needed to change in order to reduce costs, optimize planning and yield, and improve margins.

As the transformation accelerated into the implementation phase, Proudfoot engaged the participation and enthusiasm of the clients' people, enabling them to embrace the change and embed it into the company culture. Some solutions were straightforward to implement while others were larger in scale, up to and including the reconfiguration of the production facility layout. They built capability not only in the way they ran the business but they also developed their implementation skill muscle.

Key to success were daily, weekly huddles at the production floor as well as agile project governance through weekly progress meetings and bi-monthly updates. A detailed project schedule was developed to lead weekly reviews, enabling managers to manage the day-to-day business as well as the improvement program. This rapidly identified problems to take corrective action. "The processes, procedures, and protocols we've been able to put in place have given us meaningful reports so we can make better business decisions from them," said the President.

The team established KPIs using base performance data to hold people accountable for end-of-shift results. The employees enthusiastically embraced the increased visibility of daily line

performance. "Now everyone feels accountable and it's brought a little bit of pizazz to the team," remarked a Production Line Lead. "They're interested in making sure they get the reports filled out because if they don't there's no timeline or tracking to tell how good they did."

Some of the biggest improvements came from optimizing changeover and food safety processes. We discovered that the workers had to fully sanitize machines at every changeover after each production run, in order to prevent allergens in certain ingredients from contaminating the next food product. Proudfoot evaluated the ingredients and reordered the sequence of production runs to eliminate allergen contamination risk without the need for such frequent sanitation. More efficient sanitation procedures alone saved 19 hours per week in changeover time.

To raise quality, we established a Product Quality Impact Criteria for each activity and worked with front-line supervisors and employees to restructure standard operating procedures. We ensured that every step of the process met or exceeded all product-quality goals. All changes were reinforced with one-onone, side-by-side coaching to ensure the new procedures took root. We identified and filled skills gaps among workers in quality assurance and tech maintenance, eliminating many chronic challenges.

For management, we implemented something Proudfoot now calls

Proudfoot helped open the lines of communication which improved employee relations and workforce motivation. Training and one-on-one coaching increased the capabilities and performance of individuals at multiple levels of the organization.

" Probably the best part for me is we had some objectives for staff members and what we wanted them to evolve into and we've seen that happen in some very rewarding ways."

DIRECTOR OF PLANT OPERATIONS



Optimizing sanitation processes and reordering the sequence of production runs saved 19 hours per week in changeover time and reduced downtime by 20%.

#HeadsUp leadership. It's a model which increased transparency, visibility, and communications. This fostered an authentic team culture and dramatically improved collaboration, which in-turn brought better standardization, discipline, and motivation to the workforce. "The level of engagement has gone up greatly. There's a lot of pride there in our workforce. They want to know how they're doing. They want to improve. I think this not only helped us improve our operations and financials, but also the morale of our associates," said the Senior Director of Finance.

The new systems, tools, and processes along with leadership's improved engagement with their people led to a cumulative first-year savings of \$6.3 million. One-on-one training and

reallocation of staff helped them produce more pounds, which reduced the cost per 100 lbs. by over 15%, from \$11.75 down to \$10.07. Optimized scheduling and systems helped the plant produce 7.5M lbs. more than the original goal. "We've clearly seen the progress in the plant, the plant is excited and enthusiastic, and our pounds and efficiency are steadily improving," said the President.

A complete overhaul of sanitation operations along with the new order of operations procedures reduced machine downtime by 20%, while maintaining their food safety compliance. In just 20 weeks our end-to-end transformation of the operation and company culture had propelled Bob Evans Foods to record production volumes and positioned them for greater success for years to come.

Call Us

Proudfoot believes that successful operational and digital transformation only happens when your people are engaged.

To learn how we can help improve performance, expand profitability, and propel top-line growth for your company, contact info@proudfoot.com.

About Proudfoot

To our very core, we understand the people element of transformation. We introduce new capabilities, and we employ the power of your people to create performance multipliers and an engaged culture. Recognized for our speed and the magnitude of benefits we generate for our clients, we have been doing it — not just planning it — for more than 70 years.



Tomorrow's results. Today.

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