

Case Study

- Customer – Tier 1 & Tier 2 Supplier
- Plant – 200k sq ft with 500 team members
- Main Issues
 - Losing money for 5 years
 - Q1 EBIT was negative (13%)
- Results
 - ☑ 26% EBIT improvement with Q4 EBIT at 13%
 - ☑ Elimination of unnecessary labor
 - ☑ Payback for investment in Spectrum < 90 days
- Actions
 - Spectrum engaged to assess the situation and develop an improvement plan.
 - Spectrum assumed the plant manager position, materials manager position and a CI position. It was quickly determined that a significant portion of the issues were due to a fundamental lack of basic systems and discipline on the plant floor.
 - The Spectrum “back to basics” process was applied
 - Supervisor training employed
 - Discipline utilizing the shop floor SAP system installed
 - Standardized work development started