Performance Intervention

A North American Automotive Manufacturer

Case Studies

Abstract

A major North American Vehicle Manufacturer, in the midst of launching a new vehicle in the U.S., was severely constrained by one of their interior trim suppliers. Part shipments were late, or insufficient quantities were shipped, part quality was comprised, and vehicle production schedules were negatively impacted. TPS was engaged to lead a collaborative effort with the Vehicle Manufacturer and the Supplier to establish a recovery plan for the 54 part numbers at risk.

Challenge

- The Vehicle Program was in the acceleration phase with ever increasing production rates.
- The Supplier was the only manufacturer in North America capable of producing these parts.
- Key components / raw material were not ordered in sufficient quantities to support production.
- Many of the Supplier's Process Engineers, Product Engineers, and Maintenance personnel had little to no experience with the manufacturing process required to produce the parts.
- The Supplier's leadership was reluctant to make the difficult decisions required to increase throughput, decrease scrap and downtime, and improve quality.

Execution

- Developed and implemented a comprehensive analysis and ordering methodology for all key components / raw materials.
- Developed and implemented a comprehensive Production Scheduling process.
- Conducted on site workshops to analyze and correct part manufacturing deficiencies.

Result

Key component / raw material shortages were eliminated within the 3 weeks of implementation of the improved scheduling / ordering methodology; New Production Scheduling process eliminated part shortages and vehicle production losses to the vehicle assembly plant within 2 weeks of implementation, within 4 weeks 85% of all parts had at least 1 week of inventory, and within 6 weeks all past due service part orders were completed.