

Case Study: Enhancing Organisational Productivity & Governance (DMAIC Problem Solving)



Introduction:

Founded in 2019, Berka Solutions, Ltd. has emerged as a pioneer in delivering Business Transformation Solutions throughout Ireland & Europe, specialising in harnessing Lean Continuous Improvement methodologies. This case study highlights Berka Solutions' dedication to overcoming operational challenges and driving a comprehensive transformation within the client organisation.

Project Background:

Berka Solutions launched a comprehensive **Operational Excellence Program** to continuously improve the strategic business processes and procedures of a Timber Engineering manufacturing organisation based in Leinster.

The objectives included implementing cultural and behavioral awareness programs, enhancing production and efficiency through smart goals and objectives, and digitizing operational, manufacturing, and management processes using two Software-as-a-Service (SaaS) technology solutions. These solutions were partly funded by the Enterprise Ireland Digital Voucher scheme and involved sourcing, development, bespoke builds, and training for the entire office staff. The program was implemented from September 2021 to June 2022.

1. Define

a) problem Statement:

The client organisation faced several challenges, including an unstructured organisational structure, non-transparent bonus pay and benchmarking, lack of production planning and scheduling, undefined roles and responsibilities, and a lack of structured growth plans. These issues presented significant opportunities to enhance productivity and governance across various departments, including Sales, Design, Planning, Production, Procurement, Logistics, and Project Deployment.

b) Impact of Problem:

The lack of planning led to inefficient work practices, poor decision-making due to unclear roles and responsibilities, and a lack of focus and motivation for continuous improvement.

Berka Solutions recognised the importance of addressing these issues to support ongoing growth and the challenges of scaling manufacturing.

c) Objective:

The primary objective was to implement SMART goals & objectives for every individual irrespective of their department, introduce SaaS solutions for Governance, Action Tracking, and SMART Goals and objective Tracking.

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d) Key Success Metrics:

Establishment of SMART goals and objectives for individuals and Implementation of SaaS solutions for governance and performance tracking.

e) Team:

The Operational Excellence Project team, led by Bernard MacOscair (Managing Director) and Kavita Singh (Operational Excellence Specialist) collaborated with the Client's team to achieve operational excellence.

2. Measure

a) Current State Assessment:

- Conducted Kaizen events to map current processes and define roles and responsibilities for the Sales and Production departments.
- Collected baseline data on KPIs such as production efficiency, lead times, and error rates.

b) Data Collection:

- Measured productivity, efficiency, and quality in various departments.
- Gathered data on employee satisfaction and engagement through surveys and feedback sessions.

c) Root Cause Identification:

- Identified inefficiencies, including the need for restructuring process maps, the absence of SMART goals and objectives, and unstructured Sales and Design maps.

3. Analyze

a) Data Analysis:

- Analysed data to identify patterns and trends in productivity, efficiency, and quality.

b) Root Cause Analysis:

- Conducted detailed root cause analysis using Fishbone diagrams and 5 Whys.
- Identified key factors contributing to organisational challenges.

c) Process Mapping:

- Mapped current state processes to visualise workflow and identify bottlenecks.
- Highlighted areas needing restructuring and where SMART goals and objectives were absent.

d) Gap Analysis:

- Compare the current state to the desired state to identify performance and governance gaps.
- Prioritised areas for improvement based on impact and feasibility.

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4. Improve

a) Corrective Actions:

- Implementation of SaaS Solution for Performance measurement and action tracing.
- Introduction of new technologies.
- New hires were required for the management team.
- Implementation of Operational Excellence Roadmap with specific programs to achieve operational and business excellence in Sales, Design, Planning, Production, Procurement, Logistics, and Installation.

b) Improvements

- Drafting of Business Plan, QMS Manual, SOPs, & Policies, and defining the Process.
- Vision, Mission, Values, and behaviours were defined as part of the Client's organisational culture.
- Develop a Procurement/Stock Management System to eliminate waste.
- Development of a production planning strategy to enable dynamic planning, scheduling, and performance monitoring capability. This was the first time that production planning had been introduced in a standard process and was developed through the completion of an in-depth Kaizen event involving all the key production and logistics personnel.
- Appointment of Four Production Supervisors to deliver productivity enhancements in each of the product lines.
- Implementation of two digitalisation SaaS solutions for Business Governance.
- implementation of a digitalisation program in the client's business reduces paperwork for an improved environmental impact due to the. This act eventually led to taking the first step toward green business and sustainability.
- As part of this initiative, there was an upgrade of the IT infrastructure, including the purchase of hardware devices such as laptops, to improve data collection and analytics aligned with the objectives of the digitisation program.
- Training has been conducted to impart core capabilities, structures, and knowledge to enhance the employee's skills and ability to leverage the new technology, processes, and procedures being implemented. The focus has been on waste elimination through proactive planning, setting clear weekly targets, and tracking the plan versus actual performance to drive productivity.
- Educational Development program for production staff with two employees already signed up for the level 7 educational program in UCD.

5. Control

- Governance for Fortnightly sales and Structural development of Client's Organisational chart with detailed job descriptions and individual Roles and responsibilities.
- A tiered communication process introduced comprehensively covering Compliance, People, and Customers.

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- Cultural Implementation of Lean and Continuous Improvement Training.
- Coaching and mentoring programs.
- Individual training sessions.
- Improved communication between team members and leadership.

Key Results:

The impact of the improvement was significant:

- Structural development of Client's Organisational chart with detailed job descriptions and individual Roles and responsibilities.
- Tiered communication process introduced comprehensively covering Compliance, People, Customers
- Bonus Pay & Benchmarking completed and an 8% pay increase rolled out.
- Restructuring of organisational structure, Process Map, and Sales and Design Processes.
- New hires were added to the management team to strengthen the management team's capability.
- Revenue growth increased from ~€15 million in 2021 to ~€21 million in 2022.
- Technology is now in place which enables the ongoing transformation, innovation, and continuous improvement journey to be smoother.
- The technology solutions have made process optimisation, business governance, digital analytics, data management, performance management, compliance, and asset care management more efficient and effective.

Conclusion:

The operational excellence program not only addressed existing challenges but also brought transformative changes, fostering a culture of continuous improvement, innovation, and efficiency. The company's commitment to excellence resulted in tangible improvements in organisational structure, communication, employee motivation, and overall business performance. The successful implementation of technology solutions positioned the company for sustained growth and operational excellence.