



Case Study: Current & Future State Mapping

Thinking win, Win, WIN

Overview.

This client is the corporate, centralized division of a sales, manufacturing and distribution organization, located throughout the eastern United States. Growth through acquisitions and internal sales, created a need to evaluate and improve on multiple business processes necessary to remain competitive within the industry. The recent purchase by a private equity concern, and a change in leadership necessitated the need for process improvements within the company.

Industry: Automotive / Truck Mfg

Products: Utility & Service Bodies

Number of Employees: 300+

Scope of Work: Business Process Improvements

What Was Their Challenge; Why Did They Engage W3 Group?

The challenge was how to provide functional administrative support to a growing organization without adding resources and overhead cost. At the same time, Customer service, Engineering, Supply Chain and Production Control all needed to be integrated into a fully operating process without damaging Customer Value. Part of our engagement was to lead the business process Value Stream Mapping.

Obstacles

This client experienced numerous obstacles with its improvement process, prior to engaging with our firm. These included lack of experienced in-house Continuous Improvement expertise, lack of standard process operating procedures, and a lack of real-time data and key performance indicators of the current system. Not knowing or understanding their current process for Customer Service was a serious constraint to their operations.



Results

Our team led the Value Stream Mapping for 8 main Customer Service processes including: RTE Quote & Order Entry, RTB Quote & Order Entry, BOM Maintenance, TEQ Maintenance, Customer Inquiry, and Customer Service. These processes totaled over 300 current state process steps. We quickly defined the current state in a one week Kaizen event format. The results showed 20.3% value add steps to the customer were being performed whereas 79.7% non-value add steps were executed (there were total lead-times of 12.25 hours - 8 weeks). Following the current state mapping, our teams mapped the future and ideal process states. The future state would result in a lead-time reduction down to 4.25 -12.25 hours, or a reduction of 65% to 96%. Action steps using PDCA tools were identified and the implementation was planned over a four months. The resulting future state showed management that needed performance levels could be achieved without hiring additional team members.