



## Seeing is believing.

Using fundamental industrial engineering techniques and shop floor savvy, IET showed this company how labor productivity could be improved more than 10%.

### The Customer

This food and beverage company processes and packages its products around the world with up-to-date, high-speed manufacturing technologies.

### The Challenge

Senior management in one division of the company decided to target a traditionally fixed cost – labor – for opportunities to improve financial performance during a period when production volumes were down. Plant managers had already made the easy decisions on how to reduce labor costs. Convincing them to make additional reductions would require incontrovertible data and realistic solutions. The division did not have a process to undertake such an effort, so they needed someone to help them.

### The Solutions

IET developed a labor analysis plan that measured the work content of every hourly position in the plant: line operators, packagers, lab technicians, material handlers, order pickers, and maintenance. Detailed, full-shift work sampling studies and predetermined time studies provided “as-is” descriptions of value added work actually being performed along with non-valued added activities and delays. These studies were scheduled across three shifts to obtain an appropriate amount of information while minimizing the total cost of the project.

IET’s objective analysis uncovered opportunities that were “below the radar” of plant personnel. The engineering data from these studies revealed opportunities to combine duties and change methods that would contribute to overall labor productivity gains in the plant.

Within six weeks, two IET engineers completed 45 full-shift studies for a major production area consisting of more than 150 people. The recommendations included specific plans for reducing the current production workforce by 11% or more than \$600,000 per year.

**iet**

3539 Glendale Ave. Toledo, OH 43614  
419.385.1233 800.278.1031  
www.ieteng.com

How can IET help you?

Any way you need us to.

Productivity

Current production standards

Current production performance

Detailed reasons for variances

Detailed plan for improvement

Goal-setting, accountability

Capacity planning

Key capital resources

Direct and indirect labor

Salaried personnel

Facilities

Support

New manufacturing

Detailed process map

Layout

Facilities

Labor

Support

Indirect labor design

Standards

Material handling

Supervision

Maintenance

Plan for improvement

Total value analysis

Make vs. buy

Site selection

Consolidation

Vertical integration

Horizontal integration