



Right-sizing indirect labor saves millions.

IET helped its client save \$1.4 million per year by improving the true productivity of the material handling workforce.

The Customer

Automotive Component Holdings (ACH) is a tier one automotive heating and cooling systems supplier.

The Challenge

One of the client's facilities had more than 150 lift truck drivers supporting production operations. The unionized plant was very large and many drivers traveled long distances, making it difficult for supervisors to know what drivers really did on their delivery routes. ACH management needed to boost indirect labor productivity and the material handling function was a prime candidate for improvement.

The Solutions

IET recognized that work measurement could provide the facts to support a decision. Their engineers performed fixed interval work sampling studies on approximately 75 material handlers from day and afternoon shifts. These people worked on three different Shipping/Receiving docks and 40 assembly lines throughout the plant. Using ProPlanner® simulation software, IET validated their labor utilization results and determined material handling routes that minimized non-value added lift truck travel time. IET was able to eliminate 21 positions by improving the true productivity of the material handling function.

"Your team was able to come in with a fresh look and professionally review the Material Handling operations. The work sampling data you generated was instrumental in giving the plant the tools to make quick efficiencies. Looking forward to the next time we work together."

Ken Schafer, MP&L Manager

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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

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