

GROWING PAINS FROM EXPONENTIAL GROWTH LEADS TO A HOLISTIC APPROACH TO IMPROVE PRODUCTIVITY

Company Profile:

Founded in 1945, Wiscon Products is a third generation, family-owned machine shop, that provides advanced CNC lathe precision turned parts from bar stock. The company's expertise is in highly complex, high-volume CNC precision machined parts for the hydraulic, aerospace, automotive, and construction industries.

Situation:

Wiscon Products grew exponentially and struggled to manage going from a company with \$2 million a year in annual revenue to one with \$12 million. The company shifted from producing commodity products to making highly engineered products. Although growth is generally a positive outcome for companies, problems arose in managing the unplanned rapid boost in orders and revenue. This led Wiscon Products to experience issues with profitability, quality, and employee engagement.

Solutions:

Wiscon Products eventually turned to WMEP Manufacturing Solutions, which it had worked with on several projects. WMEP suggested its Transformational Productivity Initiative (TPI) model and tools for Wiscon Products to gain a holistic understanding of its situation and implement actions to increase productivity. The TPI model leverages an organizational assessment to create a targeted plan to help companies identify, prioritize and take critical actions across management best practices, process improvements and digital technologies to improve productivity. The TPI path for Wiscon Products has included a focus on leadership development, a systematic scorecard review process with leading and lagging key performance indicators, a Lean Manufacturing journey, and a five-year automation plan.

Results:

- A 93% increase in sales per employee over two years
- An increase of more than 100% in value-added revenue
- Monthly break-even reduced by 30%
- Setup hours per week cut to 30 hours from 60 hours
- A decline in scrap as a percentage of sales to 1.5 from 4.5

"It's not the management team pushing downwards anymore, it's the teams out on the shop floor pushing up to us with improvements and making suggestions to us. It's a dramatic change from where we were two years ago."

Torben Christensen, President and CEO - Wiscon Products Inc.

