

- *Continuous improvement teams*
- *Culture change and communication*
- *Empowerment and training*
- *Redesigned factory cells*
- *Alternative raw materials*

• The Company

Appor Ltd is part of the Deb Group, which sells soap products throughout the world. Appor moulds and assembles soap dispensers that are sold both to Deb Group companies and to external customers worldwide, with ca.60% being shipped overseas.

The range of products, variety of colours and printed logos is continually increasing, and lead times are now measured in days not weeks. Whilst sales are growing, so too are labour and material costs.

Appor has been on its present site, near Derby, for approximately 15 years, and employs ca.40 people running moulding on a 24-hour basis, and assembly on one shift.

The company was one of the very first to gain the Investors in People (IIP) award in 1991, and has always treated employees well – no clocking, sick pay, and private medical care after 10 years service, etc. This, in turn, is reciprocated by the employees, and demonstrated by their commitment, long service, and flexibility.

Peter Arnott, General Manager of Appor since December 1999, explains the company's more recent dilemma and the continuous improvement activities that are ongoing to address it.

• Background

During the early and mid 1990's, much effort had been made by both Appor and its employees to achieve these good relationships, but during the late 1990's, these had, until recently, become somewhat stagnated.

All employees had, in the past, been actively encouraged to identify and pursue ideas for improvement, but all too often these ideas did not get implemented, either because of lack of support, indigestion in some areas such as engineering, who needed to be involved in equipment being made or modified, and a lack of motivation. All of this resulted in the employees becoming frustrated.

There was clearly a willingness on the part of the employees to become involved, but this was met with a lack of direction and guidance from management, due to other pressures and perhaps motivation.

• Continuous Improvement

In late 1999, after some initial discussions with various employees, which generated a "warm feeling", a decision was taken to accelerate efforts to improve customer service, which was already achieving 98% due date compliance, but under pressure to reduce lead times further, reduce costs, and improve employee morale. These efforts have centred on continuous improvement (CI) project teams, and regular two-way communication to all.

Four CI teams were formed in January 2000, membership being encouraged from all levels of employees and across all functions. Each team comprises 5 or 6 people, and is lead by a relevant member of management. The rules are simple:

- *Only 4 projects are allowed to be “on the go” at any time in each team. These involve members of the team, but frequently also use the skill and time of other employees or external resources, monitored closely by a nominated team member.*
- *No new projects can be started until one has been completed, including its successful implementation.*

After completion of a project, a review is held to record whether initial objectives have been met or exceeded, and to agree whether any further work should be done in this area.

Initial project meetings consisted of brainstorming of ideas, and voting for which projects to tackle first, taking into account issues such as cost effectiveness, frustration, improvement in quality, and making life easier, initially for the employee, but ultimately for the customer and the company, by way of a happier employee.

Formal project team meetings with minutes are held every 2 weeks, with a maximum of 30 minutes' duration. Their purpose is to review progress and ensure deviations are minimised; the minutes are posted on site communication notice boards, to ensure all employees are aware of the progress of the CI teams.

• **Successes and Benefits**

The benefits that have been achieved to date have been both tangible and intangible. They are costed, where appropriate, and the savings published.

They include:

- *The design and manufacture of an assembly jig, costing £950, but saving labour of £2000 per year and also significant frustration on the part of the operators, who can now assemble more product each day, eliminating the need for overtime and achieving a consistently better product with less scrap. The project idea came from a team member who is an assembly operator and realised an improvement was needed, but didn't know what was required or how to tackle it.*
- *A change of layout of a conveyor system, enabling operators to work more comfortably and effectively. This idea came from the 2 operators working in that area, who formed part of the team, and initiated the improvements. These were achieved by trial and error at minimal cost, and also using the resources of other employees that previously were not available to them.*
- *Sourcing alternative raw materials to enable more effort to be applied to existing raw material suppliers to achieve better prices and relationships. This will translate into cost savings for Appor, which, in turn, can be re-invested in the business or passed on to customers by means of eliminating price increases.*

There are several other current CI projects, including:

- *Eliminating a further frustrating assembly operation by changing a fiddly component and minimal automation.*
- *Modification of certain moulding tools to enable them to run on an automatic basis, rather than be operator controlled, thus freeing up personnel for other tasks.*
- *Looking at all services the company uses to ensure best value for money, and if they are still required at all.*

All of these initiatives are projected to result in appreciable benefits, both tangible and intangible, for both the employees and the customers.

- **Communication**

These improvements, together with Appor's current financial performance, are communicated to the whole workforce in a series of formalised sessions every 3 months, where the opportunity is taken to ensure that future developments and plans are explained. Of equal importance is the opportunity for the employees to ask questions.

- **The Future**

The next issue that Peter plans to target in his improvement plan is formalised and structured training. In the early 1990's a formalised programme was underway, which stagnated due to a lack of direction and interest.

This will be updated to year 2000 style, and the projected benefits include a regenerated enthusiasm amongst all levels of the company's employees, plus a more flexible and highly skilled workforce, to allow Appor to continue to grow, increase its product range and techniques, and provide a higher standard of customer service.