

How to successfully manage the upcoming economic slowdown - technical solutions for savings in manufacturing companies

For

Camera di Commercio Italo - Slovacca

Hotel Devín, 21.11.2019

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ERA consultant

Value Through Insight™

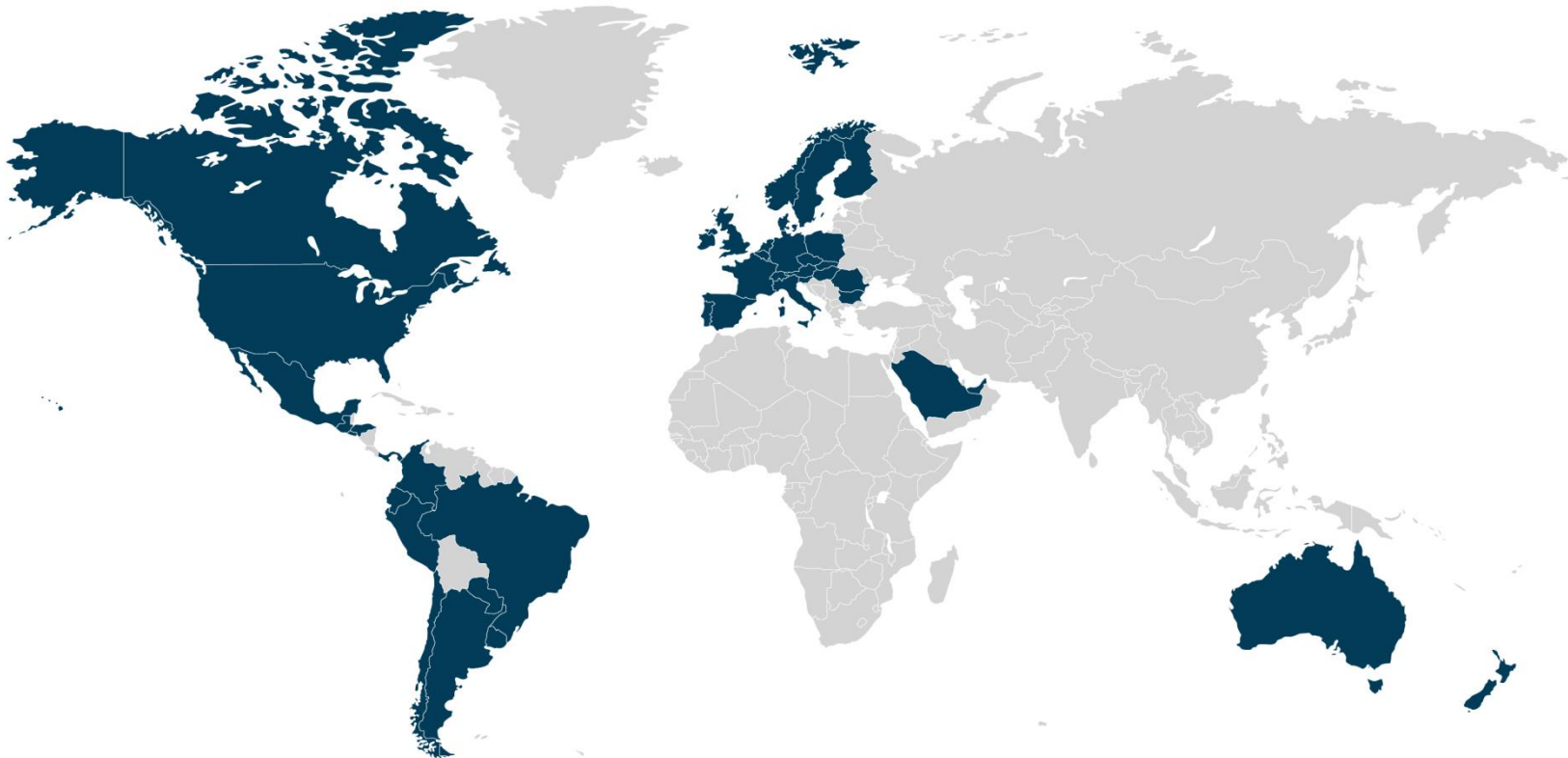
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Agenda

- 1 ERA Introduction
- 2 Actual situation
- 3 Waste of – time, material
- 4 How to identify wasting
- 5 Case study
- 6 Data collection - evaluation



A worldwide leading specialist for Cost and Supplier Management



-  Consultants **750+**
-  Countries **40+**
-  Projects **18.000+**
-  Double-digit cost savings achieved
-  Market intelligence and cost category experience built since 1992
-  Independent from suppliers

Actual situation in Slovakia

Economic slow down

0,2 %

Household consumption

-2,7 %

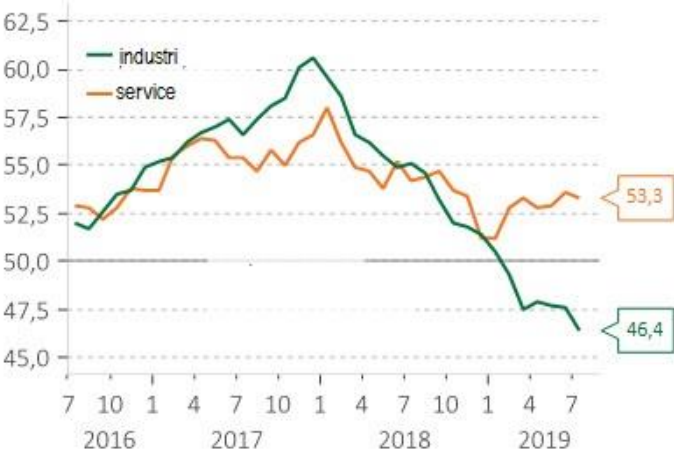
Unemployment

5 %

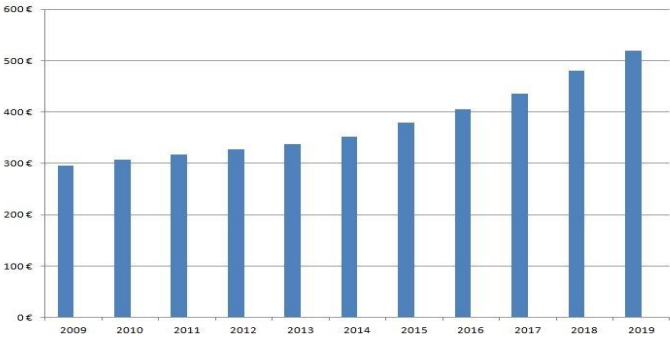
Minimum wage

520 €

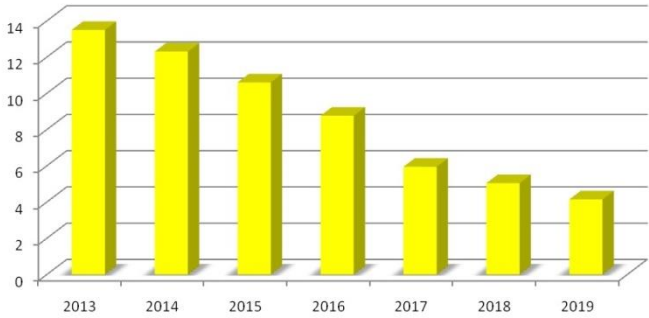
Confidence in industry



Minimum wage



Unemployment



Increased production costs



Effective vs Efficient

EFFECTIVE

good achievement
of goals and
accomplishment of
the desired results



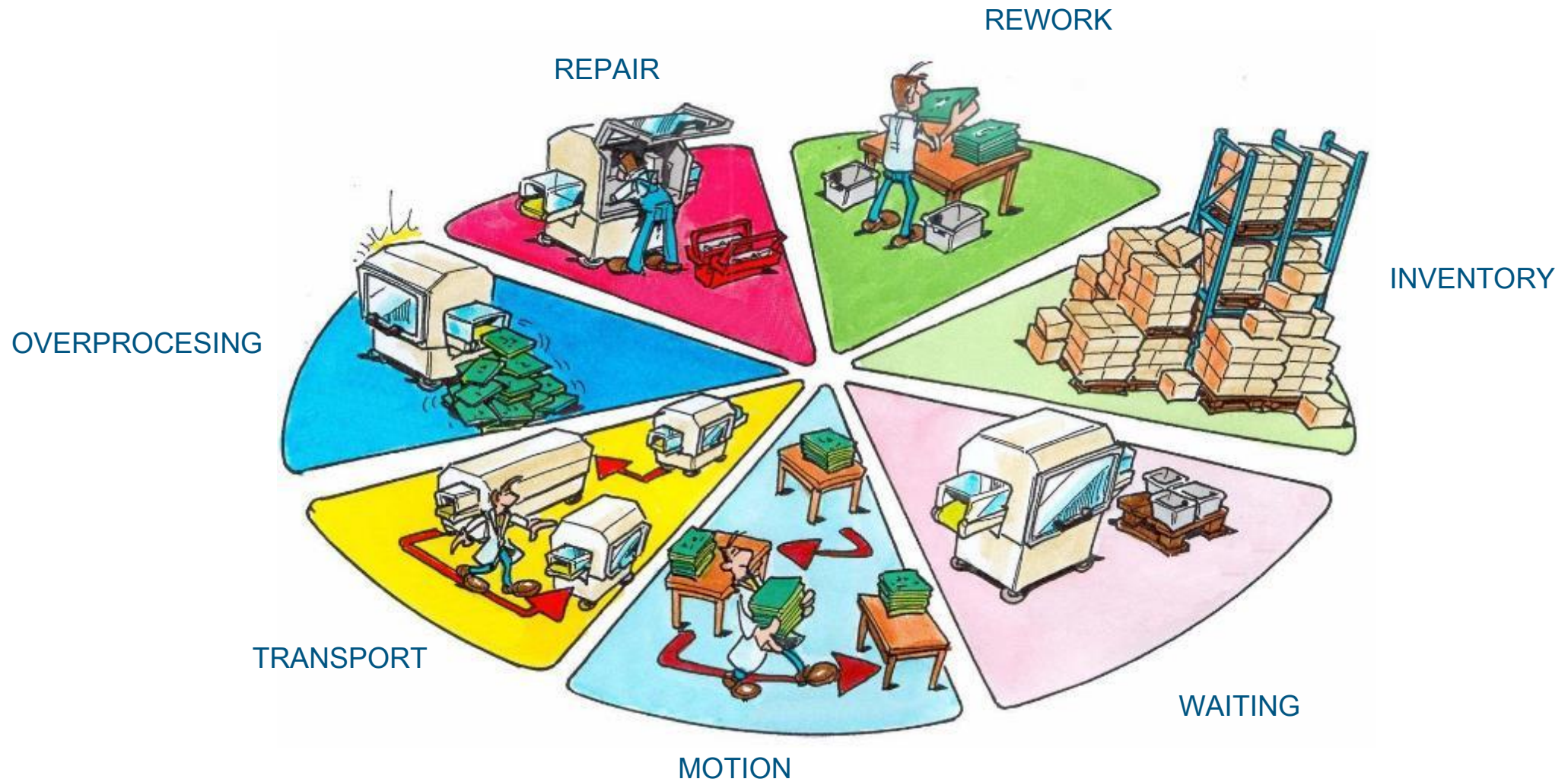
VS



EFFICIENT

works in a way
that does not
waste resources

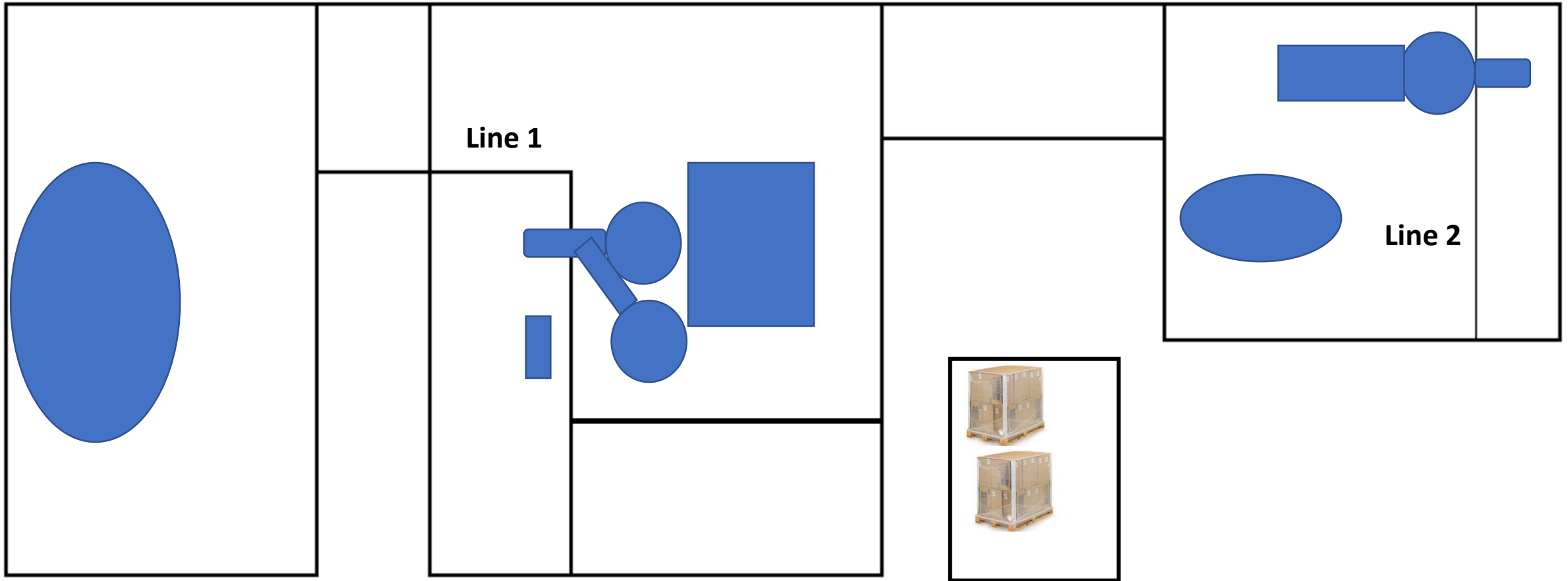
Identification of waisting of – time, material





CASE STUDY





PCS/MIN

Line 1
96

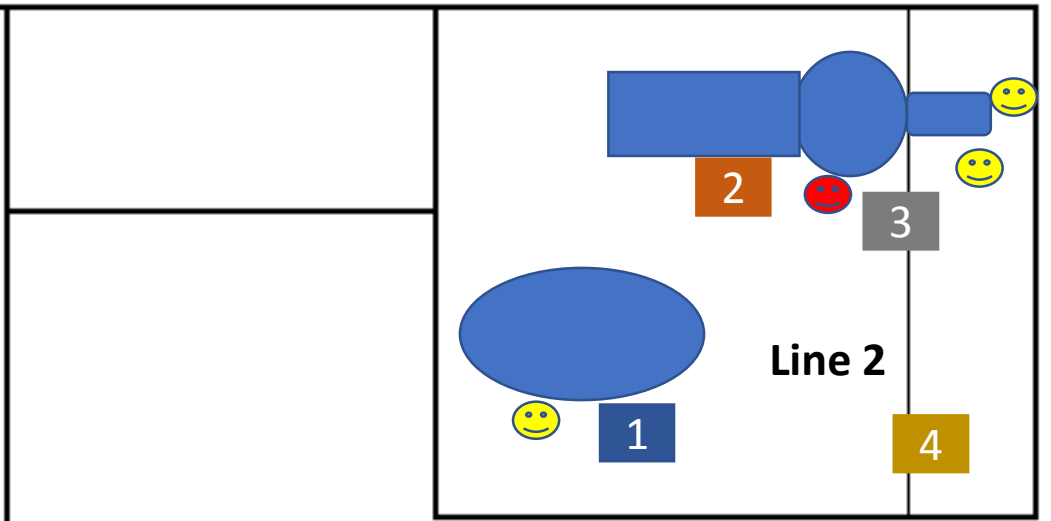
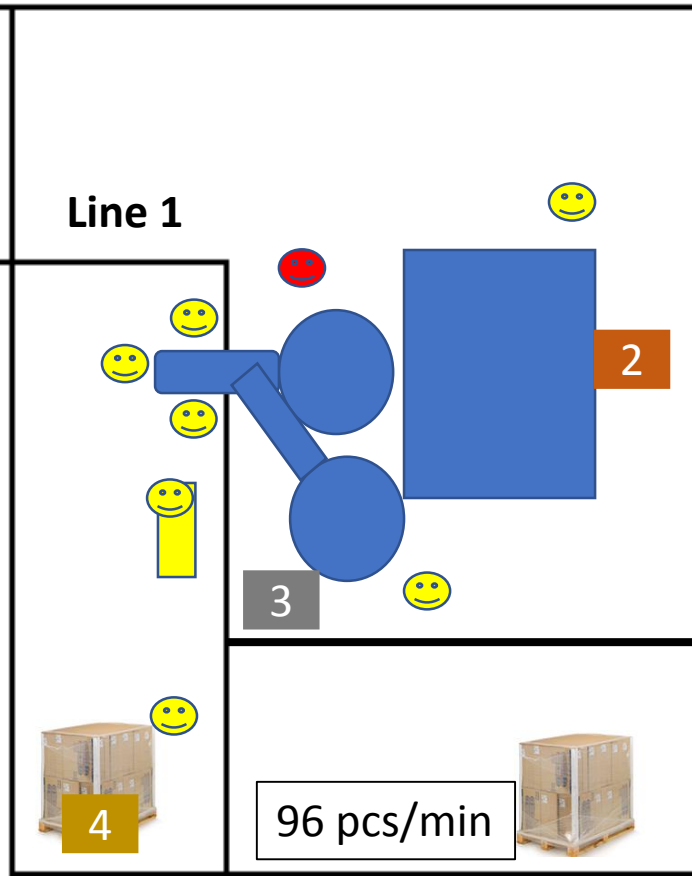
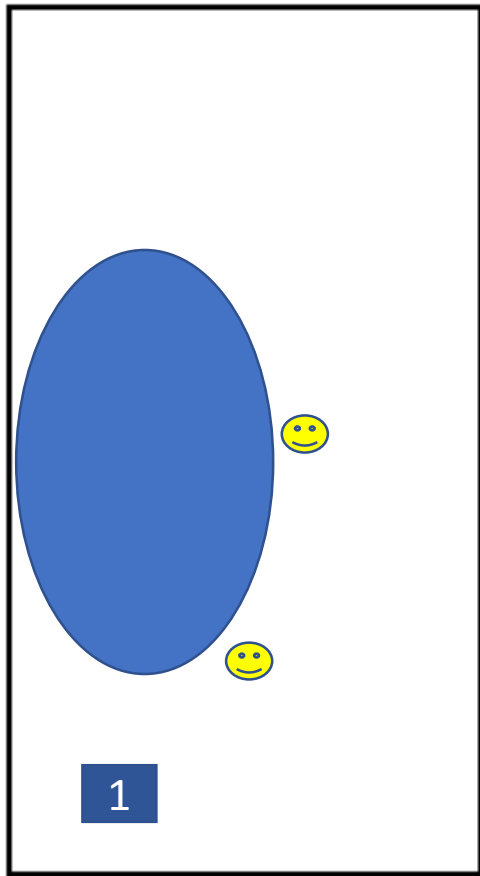
Line 2
43

Process description

- How is the process working?
- What are the people doing?
- How long does it take?
- Material input
- Utility input
- Data collection (Measure points)
- Process target

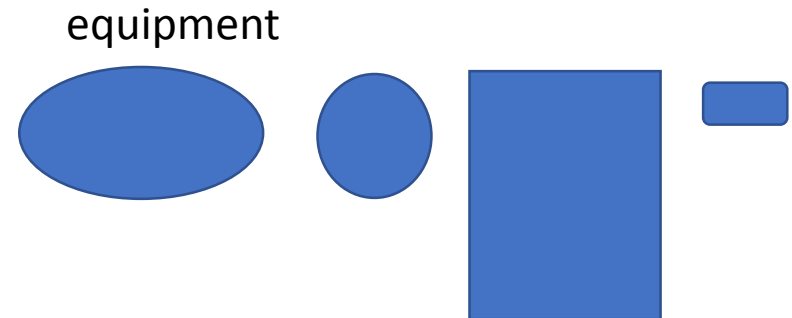
Complete process flow overview





Steps :

Line 1	Line 2
1	1
2	2
3	3
4	4



PROCESS

EFFECTIVE

good achievement of goals and accomplishment of the desired results

YES

EFFICIENT

works in a way that does not waste resources

???

Why do not use only one line ??

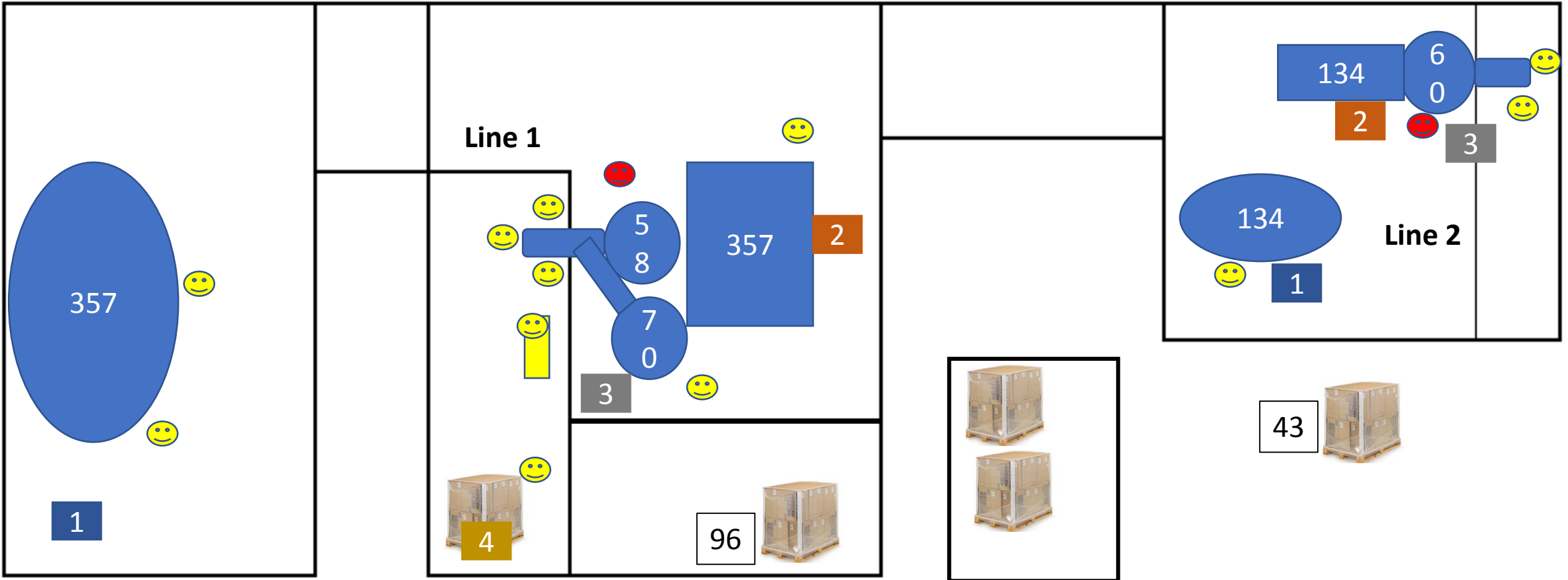
Lack of capacity

Real Process

- How is the process REALLY working?
- What are the people REALLY doing?
- How long does it REALLY take?
- REAL material input – yield
- REAL Utility input
- REAL data collection (Measure points)
- REAL Process result

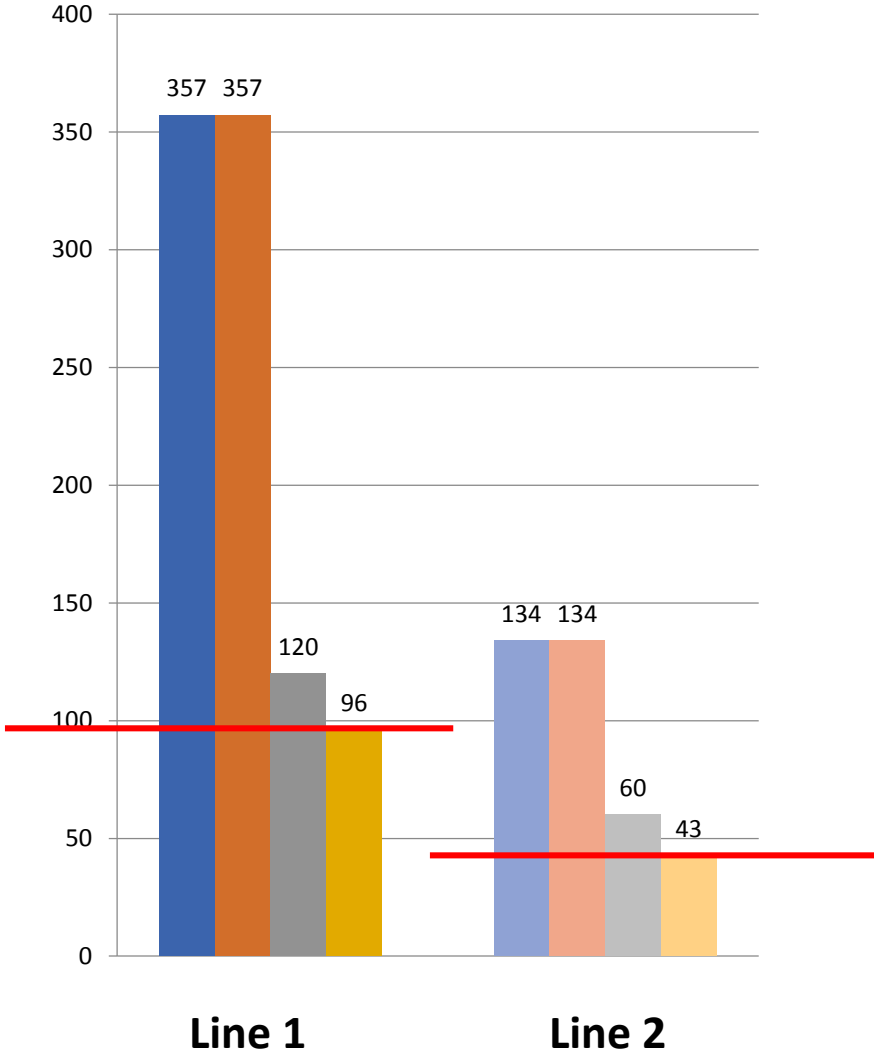
Real process flow overview



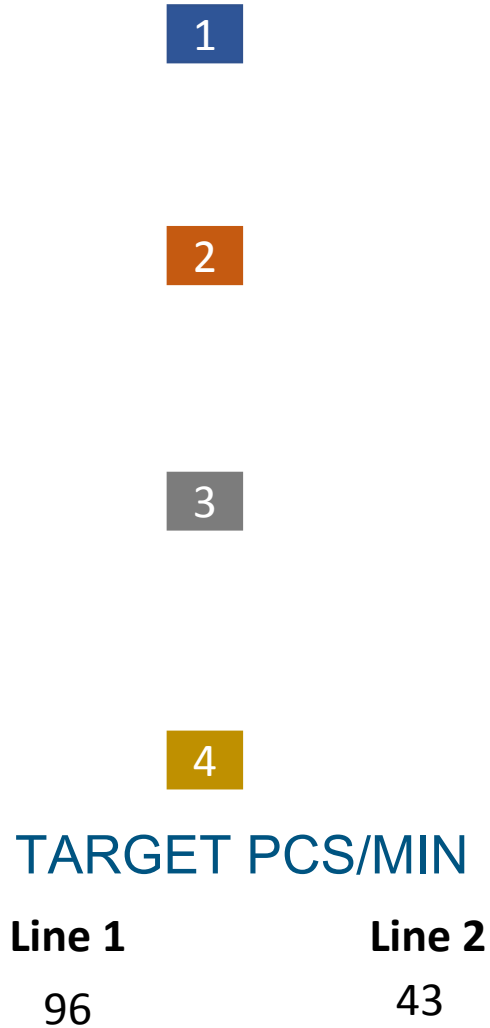


CAPACITY PCS/MIN

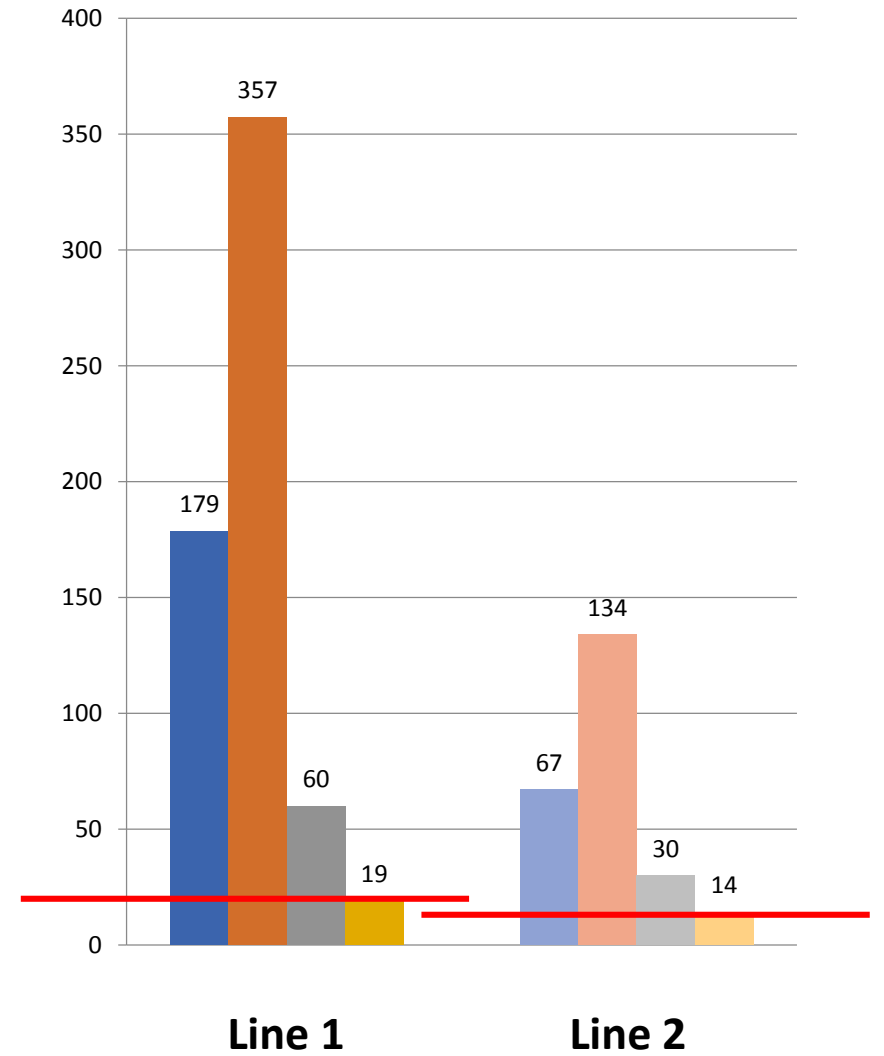
FLOW OVERVIEW PCS/MIN



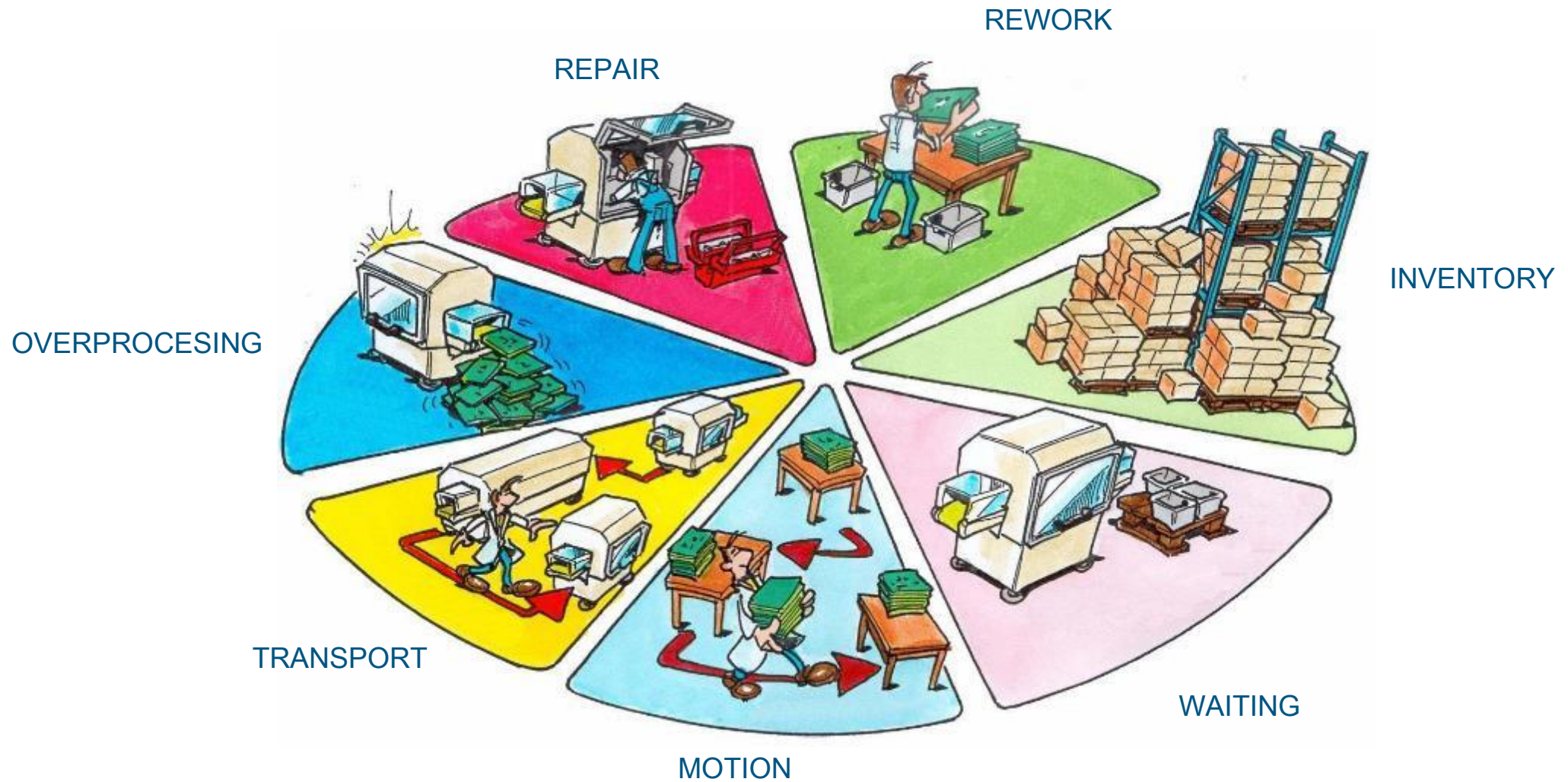
STEPS IN PROCESS



FLOW OVERVIEW PCS/MIN/PERSON

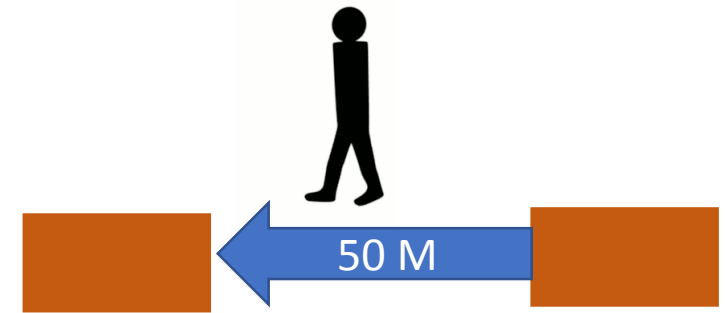


Identification of wasting of – time, material



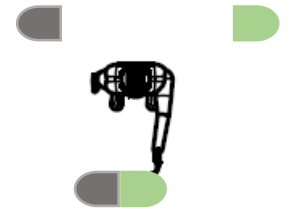
WASTE OF CAPACITY

TRANSPORT - between processes – 50m walk takes approximately 1 min

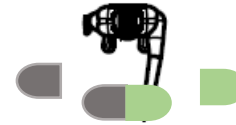


MOTION – inside process – 1m move by hands - takes approximately 1 s

turn right - pick up - turn back - put down - turn left - pick up - turn back - put down - assemble



pick up from right side - pick up from left side - assemble



Manual work vs machine



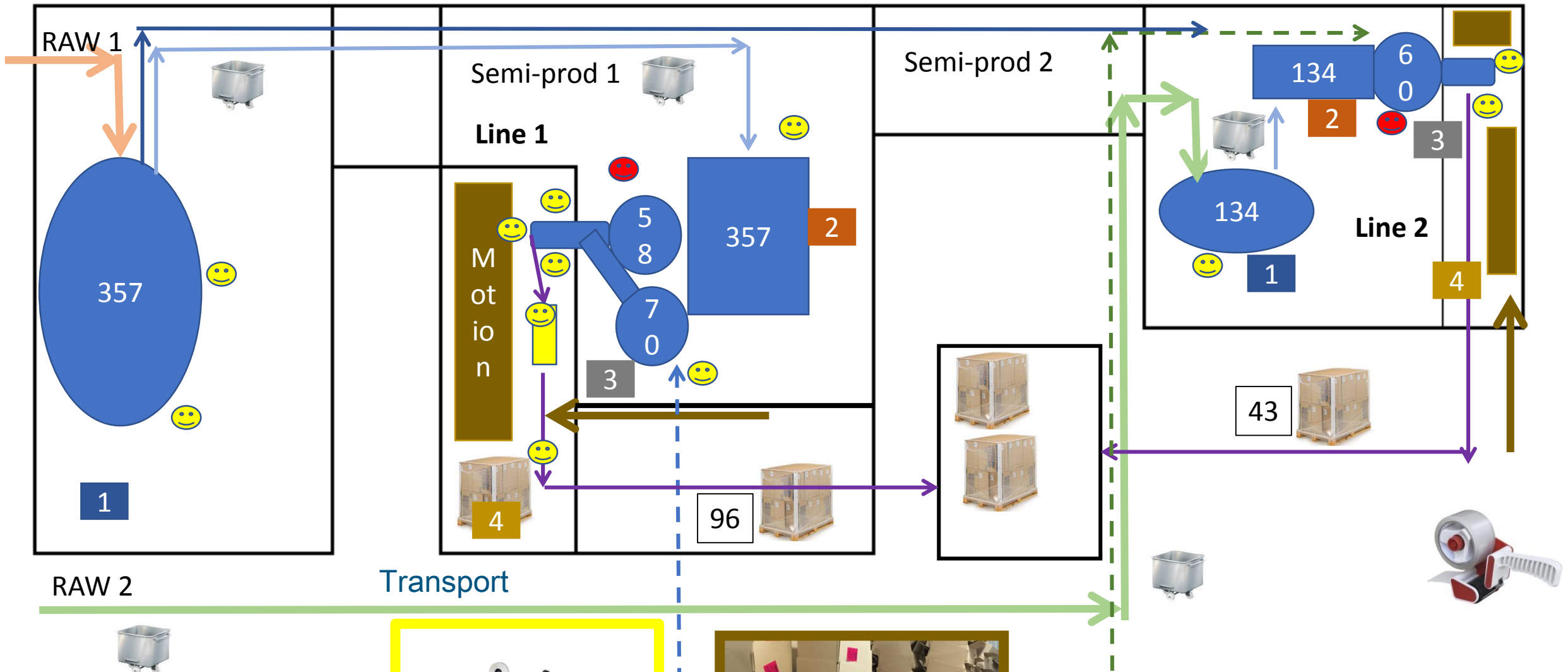
Overprocessing

Lack of space



Waiting

All workers preparing packing material
NO PRODUCTION



☹️ 2
 😊 12

Overprocessing, Waiting

Can't you see we are too busy?

ERA



CASE STUDY - SOLUTION



ELIMINATE WASTE

TRANSPORT - between processes – short distance, layout change

MOTION – inside process – all needed components handy

pick up from right side - pick up from left side - assemble



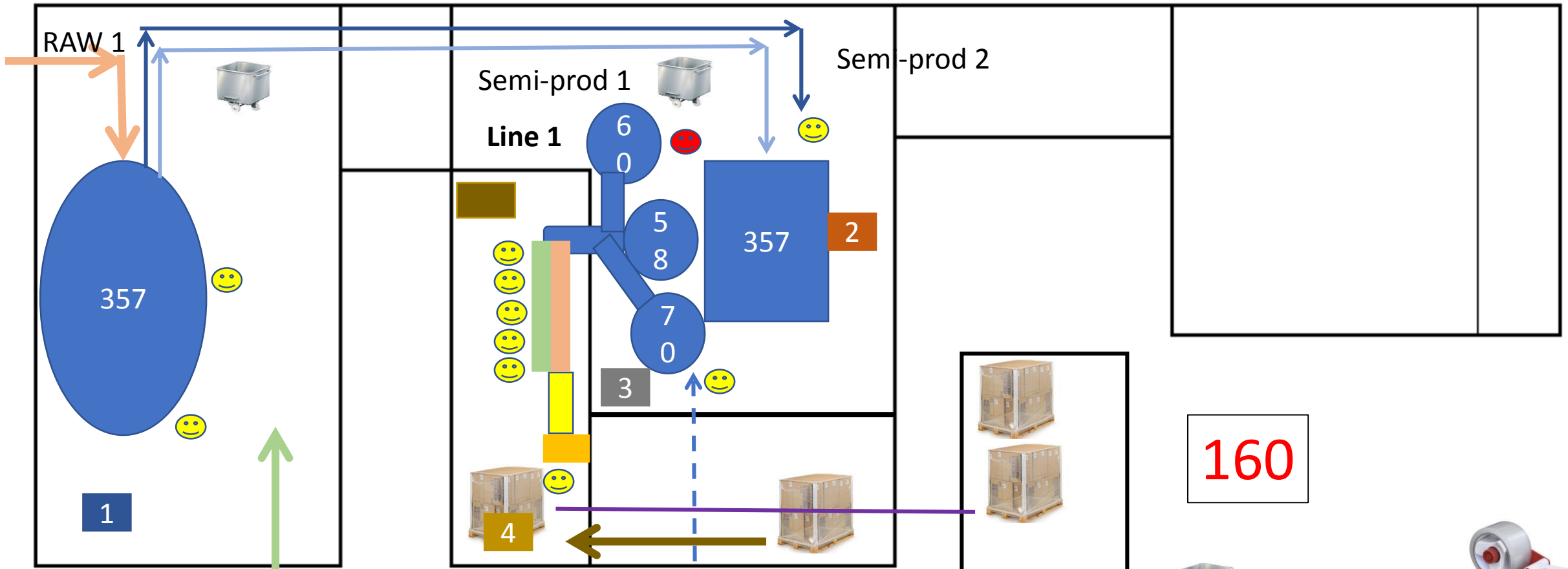
MANUAL WORK VS MACHINE



OVERPOCESING



WAITING

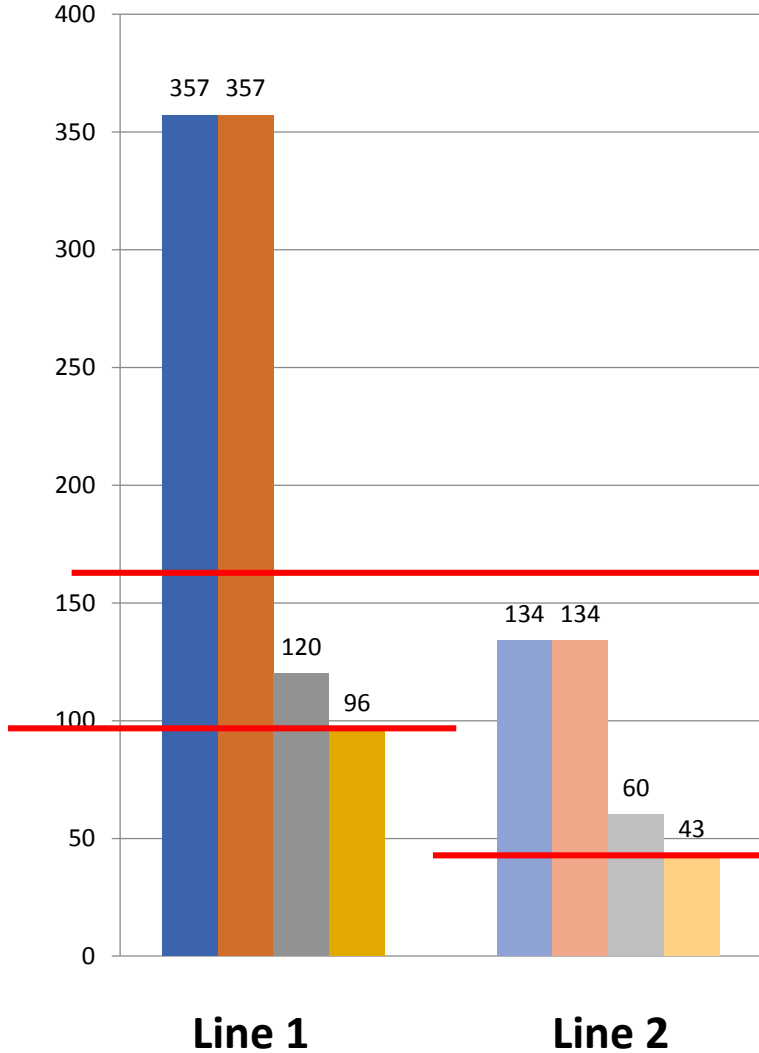


Transport

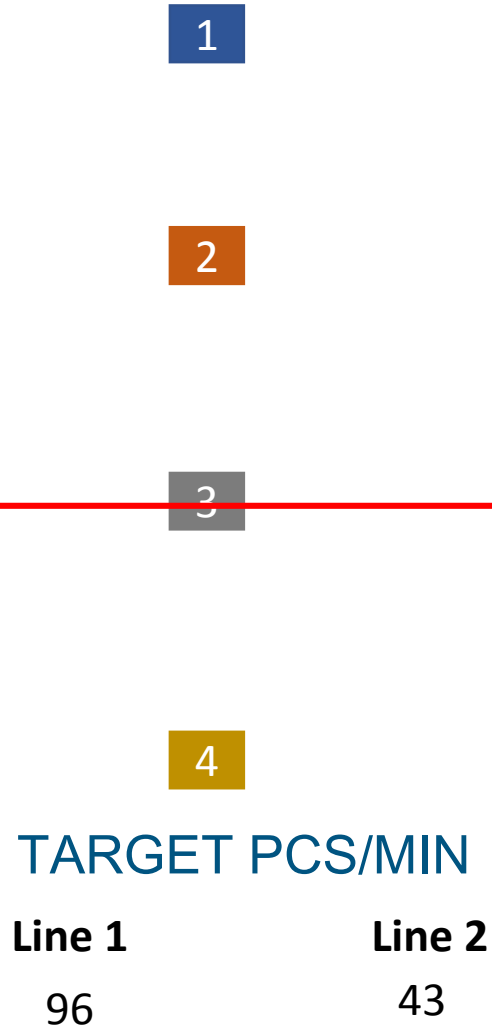


Overpocising, Waiting

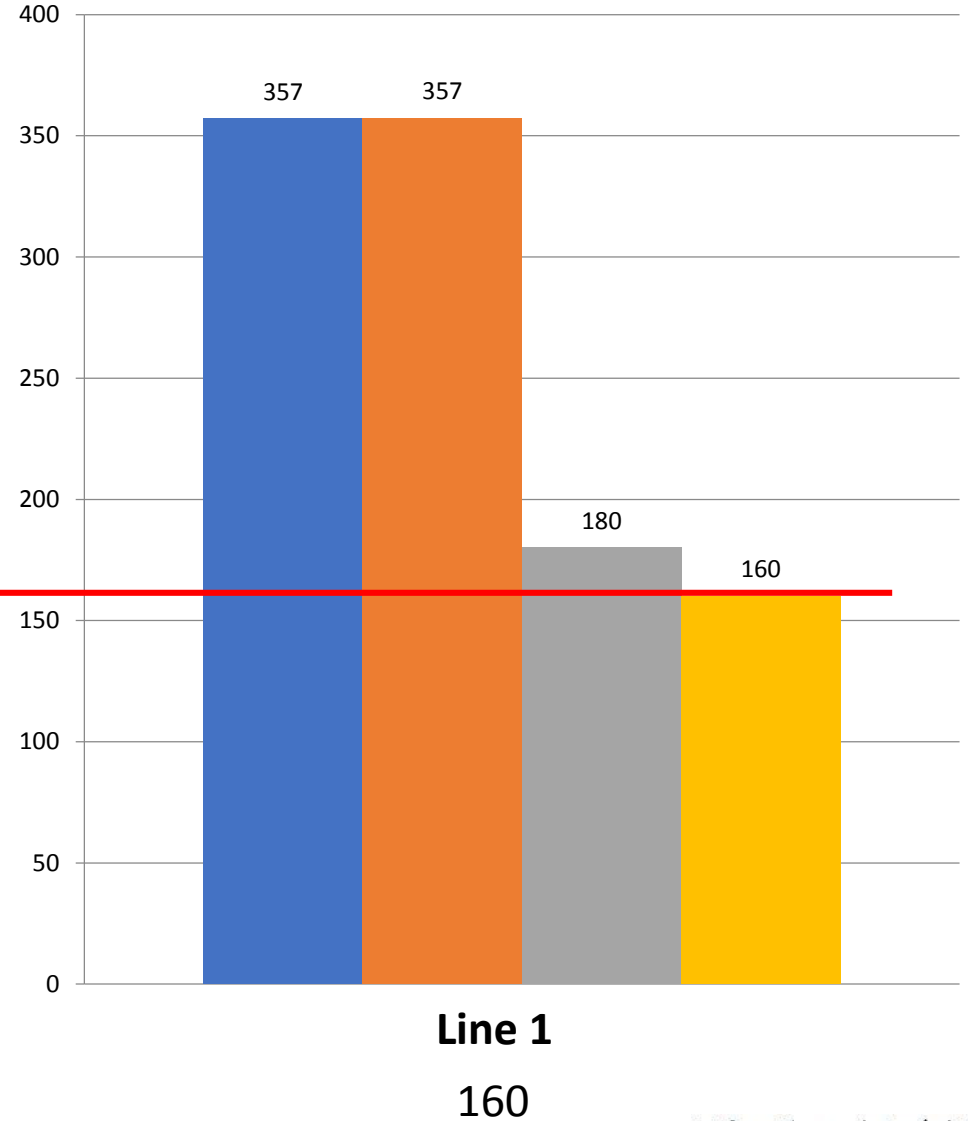
FLOW OVERVIEW PCS/MIN BEFORE



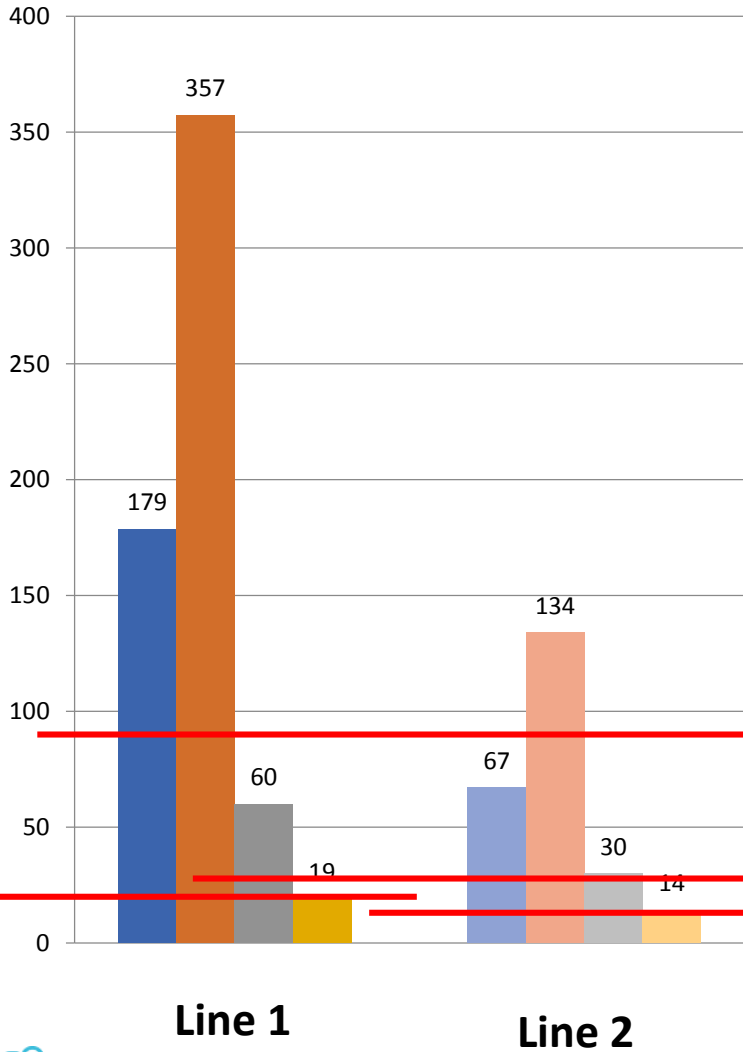
STEPS IN PROCESS



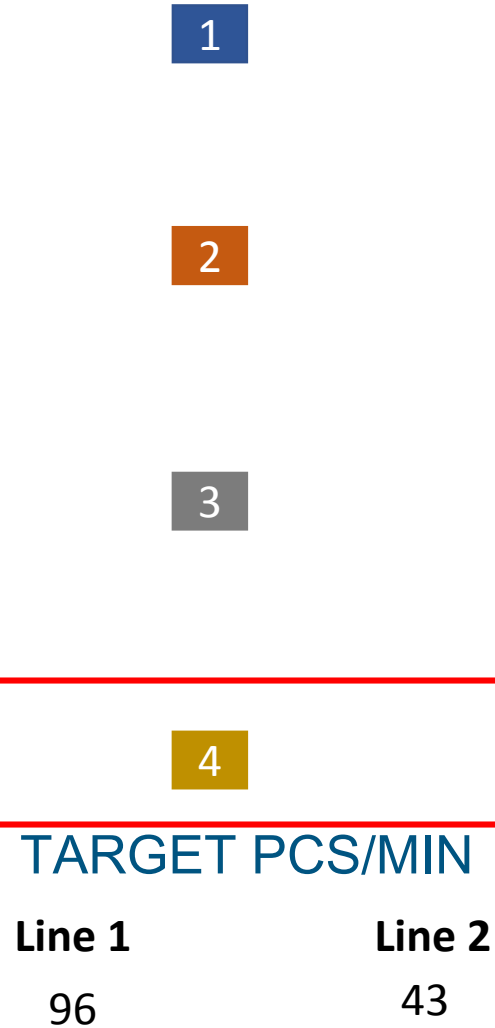
FLOW OVERVIEW PCS/MIN AFTER



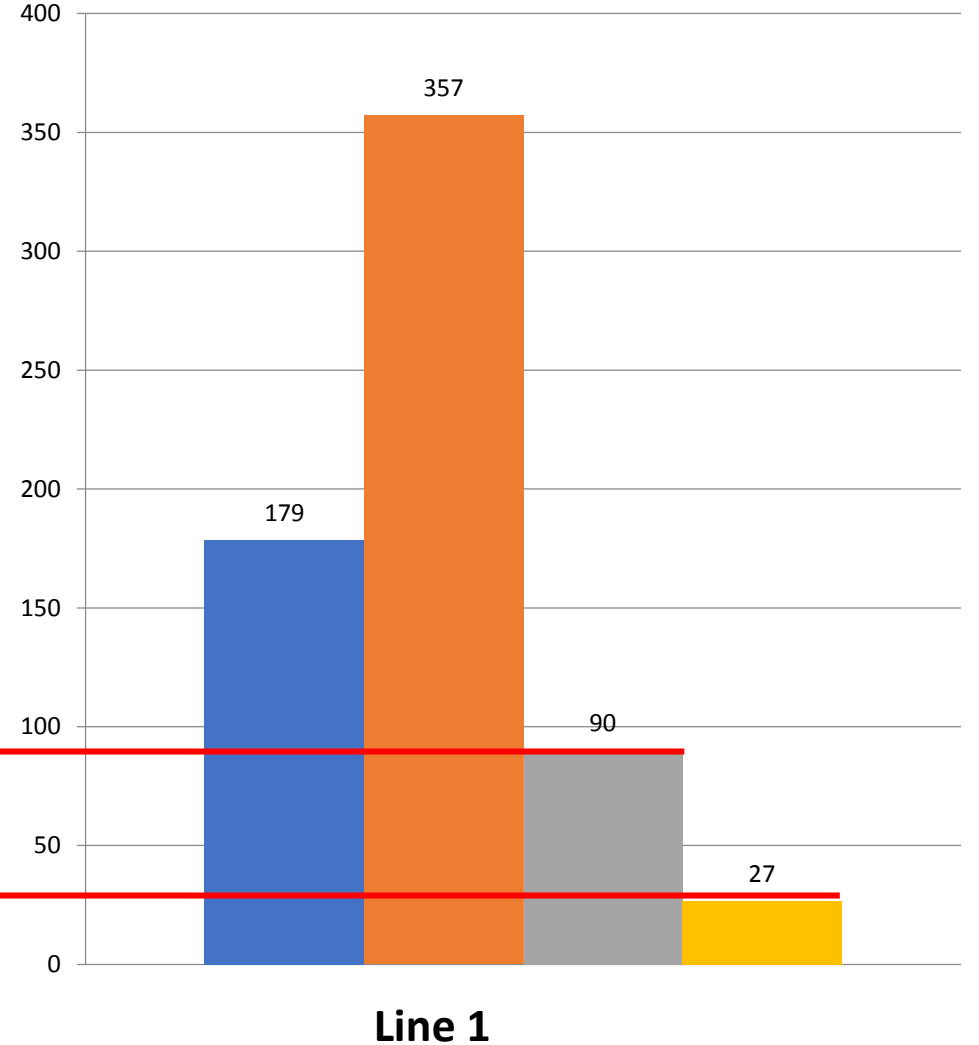
FLOW OVERVIEW PCS/MIN/PERSON BEFORE



STEPS IN PROCESS



FLOW OVERVIEW PCS/MIN/PERSON AFTER



PRODUCTION INCREASE

PCS/MIN

67%

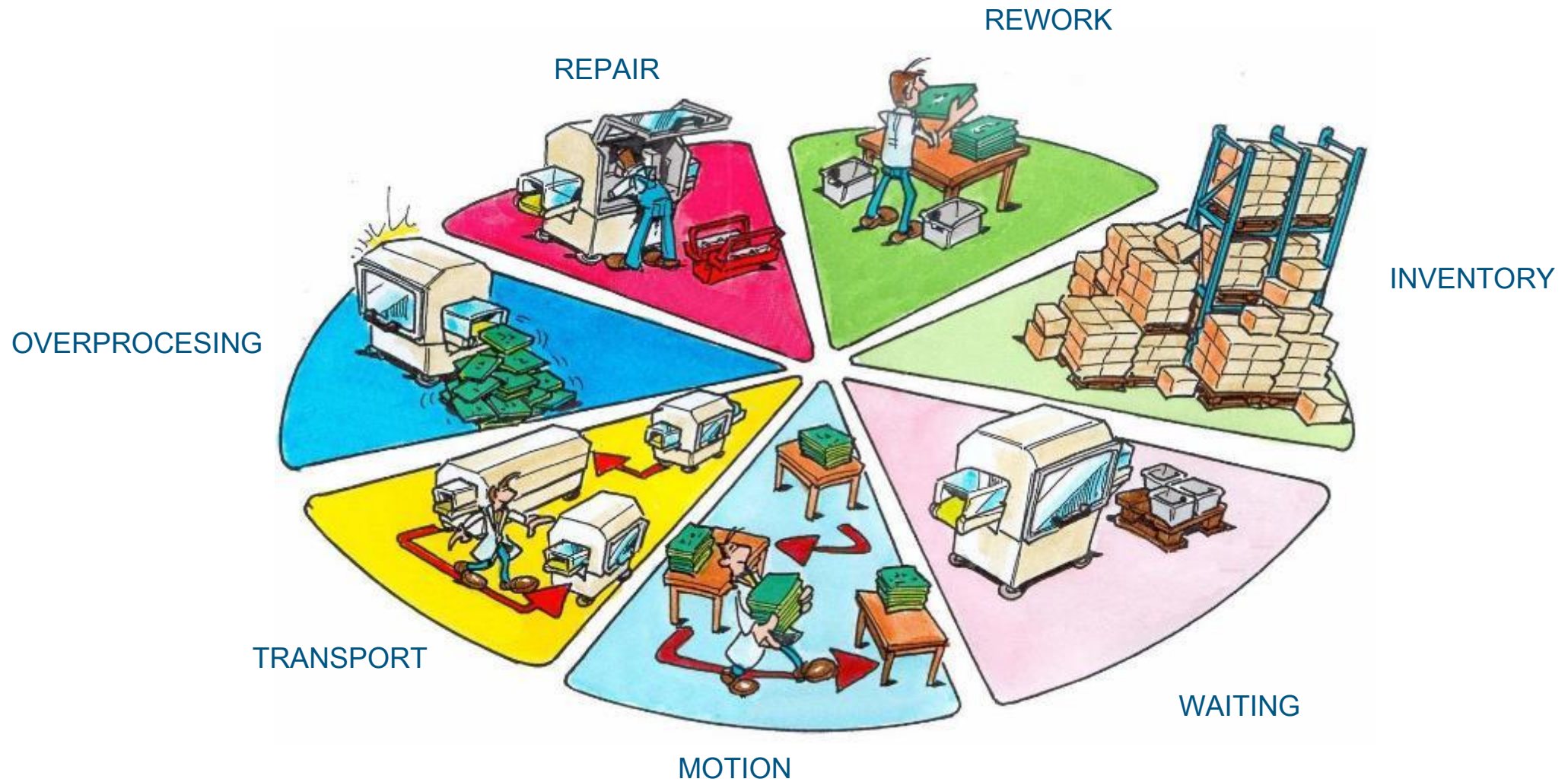
PCS/MIN/PERSON

39%

MRO



Identification of wasting of – time, material





DATA COLECTION





- **WHAT data will be collected. WHY. HOW**
- **MATERIAL FLOW = DATA FLOW**
- **FINAL DATA RECALCULATE ALWAYS PER UNIT (€, kg, person, etc.)**

SHI - SHO



Accuracy, Accuracy, Accuracy

Any raw, inaccurate data introduced will devalue all future work.



*accurate
and precise*

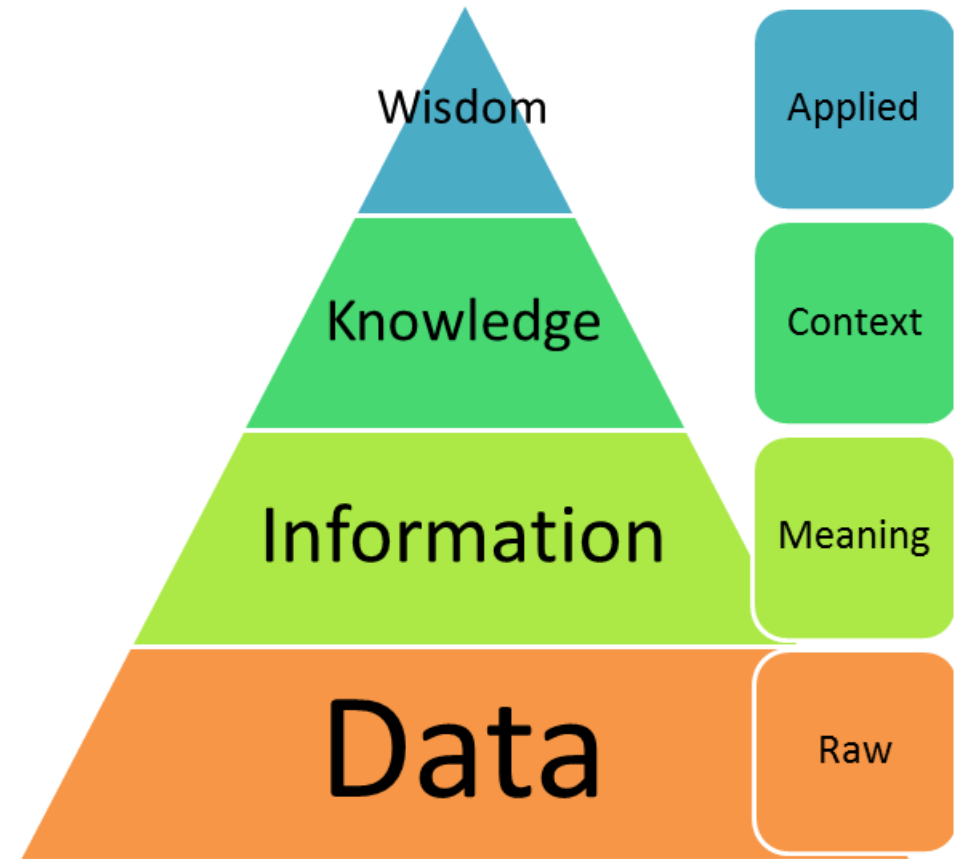


*precise, but
not accurate*



*not accurate
not precise*





How it works

Value Through Insight™



We optimise costs and create opportunities

Expense Reduction Analysts delivers **tactical advice** and **solutions** for **cost optimisation** and **supplier management** to companies all around the world.

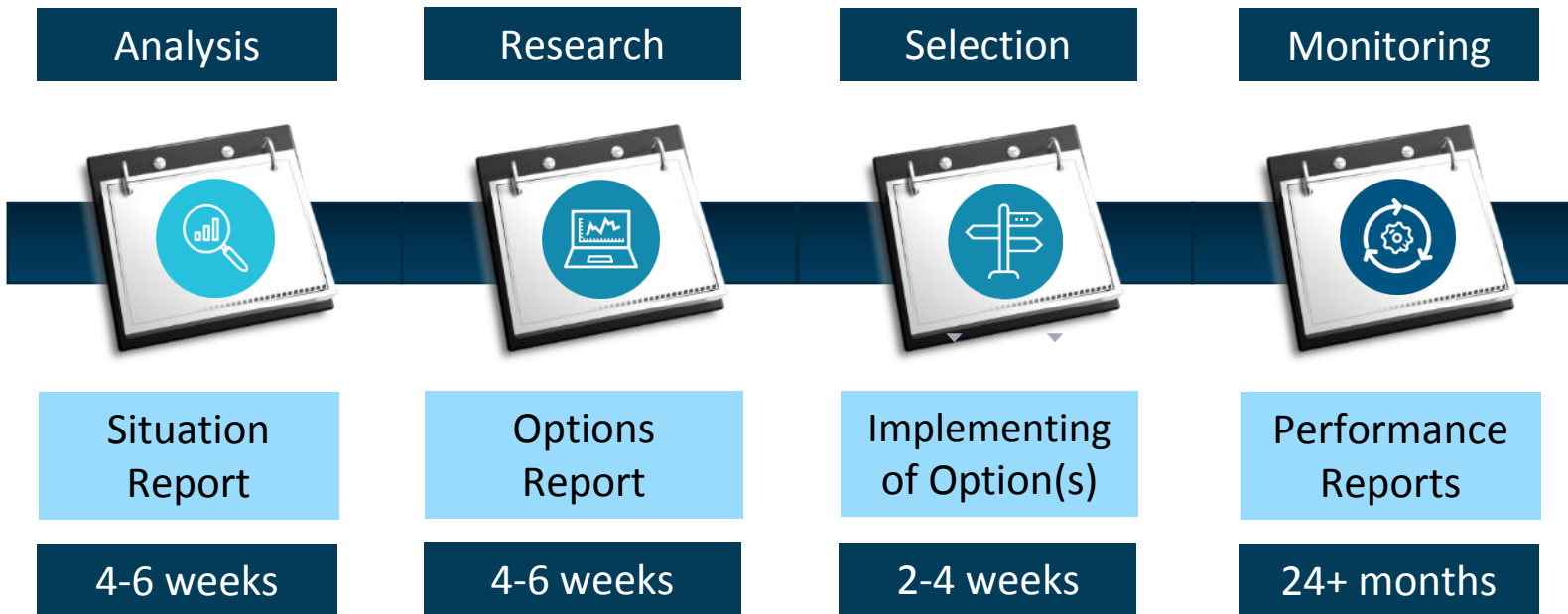
Our **partners** have the **expert knowledge** required to analyse **every market** – no matter how complex it is. Thus, they can offer their clients the **best solutions** available.

Where we can support you



Our process to optimize your cost

We'll look at your expenses and do a health check to see if we can find ways to optimize your costs – and we'll carry the risk and only share the savings if we are successful.



Our simple process adds value at every stage. You benefit from expert external resource, market knowledge and exceptional delivery.

Our remuneration model



Real achieved savings
form the basis for our
fee calculation

ERA's risk-free
business
proposition to
clients

Implementation-oriented

Measurable

Performance-related

Questions

Value Through **Insight**™






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Analysts**

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