

CASE STUDY

Industrial Equipment Company Relaunches Lean Enterprise-Wide, Improving Inventory, Lead Times, and Flexibility

Overview

- An American industrial equipment manufacturer saw its Lean manufacturing efforts stall, leaving improvement work disconnected from growth objectives—and eroding its competitive advantage.
- A comprehensive Lean transformation aligned operations, suppliers, and product development around a unified system. Improved flow, execution, and customer-focused innovation.

Learn More About TBM's Industrial Manufacturing Industry Solution →

About TBM

Speed wins every time.

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We accelerate operational performance to make you more agile and help you accelerate business performance 3–5x faster than your peers.

Challenge

- Lean efforts had stalled, re-launch at the enterprise level, link improvements to strategic growth goals and create a competitive advantage.
- Improve quality and reduce inventory and strategic supplier performance.
- Create flexibility in new product development, and make products that focus on customer needs.

Solution

- Create a tailored Production System and a centralized continuous improvement office.
- Organize into process-oriented value streams.
- Implement strategic supplier management.
- Implement Design for LeanSigma®, increase speed to market and focus on customer needs.

Results

- **$1.3 million in cumulative new hire cost avoidance**—able to meet a 30% increase in demand with no new hires.
- **$2.8 million in inventory reduction** through supplier management, supplier co-location, pull system implementation of sheet metal parts, scrap and rework improvement.
- **Better flexibility and responsiveness** through 8-28% cycle-time reductions, 60-75% lead-time improvements, and footprint consolidation.
- Improved lead-times enabled Link-Belt to bring fabrication and welding in-house.
- **Using Voice of Customer to identify and fulfill unmet customer needs,** allowing customers to work more effectively on the job site.

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