

How to Use Amper to Improve Productivity & Labor Management

CASE STUDY: Global Precision Parts (GPP)

COMPANY OVERVIEW:

Global Precision Parts (GPP) is an international market leader in precision machined parts. GPP has three manufacturing facilities—two in Ohio, one in Indiana—totaling more than 155,000 square feet of space. GPP has 161 employees and operates more than 200 machines.

GPP offers multiple capabilities, including multi-spindle, CNC and hydromat solutions. It serves a range of industries, including automotive, fluid power, HVAC, industrial equipment, plumbing, electrical, construction and more. GPP prides itself on exceeding expectations—which is why management implemented Amper's machine monitoring system in the first place.

THE CHALLENGE: HOW DO WE USE OUR DATA?

When GPP implemented Amper's OEE tracking system, management did it right. That included involving their most influential operators from day one, earning their early buy-in. Those operators would then serve as change champions, encouraging fellow operators to get on board.

The strategy paid off, and after six months of using the Amper system, GPP felt it was getting good quality data. However, they didn't know how to leverage it in order to meet their goals. They needed help choosing a focus.

"We just wanted to get the most out of our money—as we all do in manufacturing," explains Michael Abbott, GPP Plant Manager.

THE SOLUTION: TRACK PAID LABOR UTILIZATION

GPP shared their dilemma with their Amper representative. After some thought, they arranged a peer brainstorming session with another Amper customer that was also getting started with the system.

Operators and managers from both sides attended, sharing experiences and best practices. Inspired by what they learned, GPP's team determined that they would use their utilization data to measure paid labor utilization. They drew up a strategy and set their goal.

"For every hour of labor we paid out, I wanted to see either two hours of machine uptime or one hour of setup," says Abbott.

The goal was to hit this standard by 100% or more.

HIGHLIGHTS:

GPP Overview







Challenge

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-Michael Abbott GPP Plant Manager

Solution

GPP's team determined that they would use their utilization data to measure paid labor utilization.

Results

GPP increased utilization by 10%, while paid labor utilization averaged 100% or more.

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ROLLING OUT THE PROJECT

GPP brought its workers on board, sharing its 100% goal. Influential operators were charged with ensuring that less-experienced operators were properly entering data—i.e., correctly entering downtime codes in the Amper system to track setup times and more.

GPP started tracking paid labor utilization, comparing it to machine utilization and sales dollars/hour.

And to enhance operator involvement, GPP mounted large flat screens on the plant floor, displaying daily results.

AN IMMEDIATE IMPACT

Operators began closely monitoring the screens, eager to hit their daily goals. The project immediately produced a Hawthorne effect—the well-documented tendency of humans to perform at higher levels when they know they're being observed.

"It's not that we're observing them," clarifies Abbott. "They're observing themselves. Most people want to do a good job and don't want to miss the goal."

Initially, paid labor utilization across the plant averaged 80%, but that number quickly began rising. When they missed their weekly goal, supervisors and operators would sit down, figure out what went wrong, and make improvements.

Interestingly, operators increased their usage of the Amper system, too. Because they wanted to earn more machine production uptime, they would log downtime reasons and setup into the system faster.

"It was super easy to do," notes Abbott. "We made little to no effort. We just put the goal out there and people started changing in order to hit it."





IMPRESSIVE END RESULTS

In a relatively short time, GPP increased their machine utilization by 10%, while paid labor utilization averaged 100% or more.

Soon, GPP was able to justify purchasing new equipment. Their new machines run a little slower, but because they're more fully automated, GPP's operator-to-machine ratio rose from 1:2 to 1:6.

In short, GPP was able to generate more sales while reducing costs, leading to an improved profit margin.

Key Takeaways For Other Manufacturers

According to Abbott, the key to improving productivity starts with some honest introspection.

"I would say, really sit and look at yourself. How much are you paying out—are you really getting what you want out of it?"

Then, he suggests, see how Amper's machine monitoring system can help you get the data you need—even if you start by tracking just one machine. (Amper's free pilot program allows you to track 2 machines for four weeks at no cost—see below.)

He also warns that you can expect to be surprised—that the results will not be what you think.

Furthermore, he recommends that you determine what data you want to track, noting, "Without Amper, we wouldn't have been able to do this easily. The data is raw and clean—you don't need to manipulate it to see the truth of what's happening on the floor."

Finally, he says, take it one day and week at a time. He believes the project yielded such quick success because "it was more about managing business day-to-day versus aiming for long-term changes and projects."

