



TURNAROUND PROGRAMME FOR AN AUTOMOTIVE SUPPLIER



BACKGROUND

"In order to retain our clients we have to fulfil their requirements regarding quantity and quality. We have not always done this in the past, but it is vital to do so in the future!"

Jorge Zubialde; General Manager

OBJECTIVE

To significantly improve delivery performance to customers in terms of plan fulfilment and product quality, while achieving a reduction of fixed and variable costs.

RESULTS

The implementation of an integrated management system together with six sigma principles now enables complete control of operational processes as well as quality management. The introduction of six sigma tools has significantly reduced quality defects.

Customers recognise the improvement of product quality and quantity due to implemented management systems and improvement processes.

Operational indicators:

- Production output increased by 20%
- Quality improved by 60%
- Equipment breakdowns reduced by 20%

Due to improved productivity, the project was cost neutral. The planned return on investment of over 5:1 – based on annualised added gross margins – was to be achieved within one year after project completion.

"c2 consulting implemented, in a convincing manner, the tools we all know but never managed to implement. They taught us how to solve problems we did not manage to solve in the past. Having finished the change management project, we are now able to improve internal processes on our own. Our clients now regard DANA-Pamplona as a reliable supplier again."

Jorge Zubialde; General Manager



DANA AUTOMOCIÓN S.A. PAMPLONA, SPAIN

DANA Automoción S.A. in Pamplona is owned by DANA Corporation, USA. Customers are almost all OEMs for commercial vehicles in Europe. More than 500 employees manufacture axle housings and axles.

THE CHALLENGE

DANA Automoción S.A. in Pamplona had come to the limits of its capabilities. Continuously facing additional demands regarding delivery performance and quality as well as ongoing cost pressure, DANA Automoción S.A. in Pamplona realized that these challenges could not be met with the existing tools and methodologies. The challenge was to significantly improve the production performance, internal efficiencies and the quality level at the same time.

THE TARGETS

- Lead the company back to profitability by increasing internal efficiencies
- Increase output of production lines
- Improve product quality
- Implement an integrated management system
- Change the perception of DANA Automoción S.A. by its customers to a reliable supplier

THE APPROACH

The two major work streams were the installation of lean, robust processes in production, and the implementation of Six-Sigma DMAIC methodologies in order to improve product quality. These two streams were integrated by the operational management team, implementing the related management system and performance indicators. Owing to the company's history, training and coaching had not been areas of focus in the past. Therefore, the management strongly focussed on the development of organisational competence during the project. Finally, all new processes and systems were installed and reliably run by the employees of DANA Automoción S.A..

THE RESULTS

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WHY C2 CONSULTING?

- Fast and significant improvement of production and product quality, which could not be achieved in the course of day-to-day work
- Use of state-of-the-art methodologies and problem solving tools that were only partly used by the DANA organisation in the past
- Good knowledge of the automotive industry and client expectations as a result of many projects carried out for automotive OEMs and suppliers
- Definition of the project based on financial results, and a firm commitment to achieve the results with a success-related fee

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