THROUGHPUTWORLD

Precision Machine Shop Improves On-time Delivery, Lead-times and Achieves Record Profits

By Mike Touzeau

We are constantly being bombarded in our media driven culture with ways to make things better—satisfaction guaranteed or your money back.

"I felt like I was looking at an infomercial," remembers Tanya DiSalvo of Criterion Tool near Cleveland.

"I couldn't figure out how listening to a video was going to make things better."

"That's B.S.," her father, Dennis Ondercin agreed, a tough and successful old school CEO who was in the process of turning the business over to his daughter, wondering why she'd even consider letting "some other woman we don't even know" tell her how to run the shop.

Tanya never intended to work in the family business. A bit of a rebel after college, which created some friction with her father, she made a name for herself in sales with a variety of companies and then actually sent him her resume in 98.

She remembers having to follow his rule of a year in the shop learning machines, blueprints, and other skills necessary to the operation—"anything I could do without cutting my fingers off."

Tanya took a risk with the bank on her back.

It was early spring 11 years later and now new company president Tanya was exploring the Velocity Scheduling System (VSS), debating this new direction with the bank on her back about profitability, and the guys in the trenches wondering if this girl who started in sales was taking them all down the rabbit hole.

"It was a leap of faith on my part," she remembers, "and Dad had to accept that." "Now he's a proud papa, and we have a team. We don't have to keep having two hour meetings to get it done."

"We couldn't have done it without VSS!"

To the casual observer a successful precision machine shop 59 years in the business that today



Tanya DiSalvo and her dad, Dennis Ondercin.

specializes in CNC milling and turning probably didn't need to do anything different, did they?

"We were good, not great," Tanya put it. "We did not have quality issues, but we never had better than 70 percent on time delivery."

No communication problems, she said, since they had been meeting each day to analyze and try to come up with answers.

"But we were talking a lot about the problems and they weren't getting solved."

"We were beating on our own people to be better, more efficient, but the more complicated jobs and more variables we were adding, the harder it was to get things done. It was becoming unmanageable."

In May of '09 they sat down and started the Velocity Scheduling System Coaching Program together.

The journey from good to great begins ...

"It's so different from what we've seen in the world of manufacturing that it sounded too good to be true. At first as a team we couldn't get our arms around it, but Dr. Lisa said she was going to give me my money back if it didn't work, so we were going to do everything she said."

They liked the homework, but several of her 30 employees, including her dad, who was then consulting and observing as he neared retirement, bet some real cash against her that it wasn't going to work.

"I was pretty sure they thought this was just another flavor of the month."

"Before VSS we were all frustrated," she remembers, because they were always trying to manage the "slop," as she calls it—the jobs that got bogged down and often carried into the next month, with select customers always suffering.

Once they saw how the system could facilitate movement of jobs, things started clicking.

Flow improved substantially!

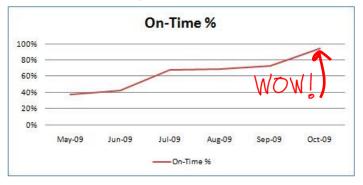
"As we worked through the Velocity Scheduling process, we got more and more in control. We could focus our resources where we needed them the most. We didn't have to monitor the jobs, the deadlines, the priorities anymore."

"It was all the same people just changing their focus."

Tanya took some money from some experienced shop foremen on those bets, and made Dad a believer, too.

"He was successful doing it his way, so of course there was skepticism," she said, but our radical improvement in on-time delivery percentages—from below 50 percent to consistently between 90 and 100 now—should convince anyone that VSS works.

From less than 50% on-time to consistently over 90% on-time!

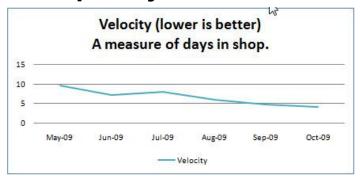


"We basically turned the whole company on its side, broke it apart, and put it back together."

Criterion Tool now enjoys an average of 4.8 days that jobs are in their building, compared to 10.9 days before instituting VSS.

"And, as we get better," she says, "our outside service suppliers get better, because we give them more breathing room. Everybody gets better."

Time to get a job through the shop cut by more than half!



Instead of the traditional "from the top down" philosophy, Tanya has 3 foremen and a quality manager making day to day decisions, working together to move jobs through so deliveries are on time, and everybody can see on the Velocity Board what's happening and what needs to be done next.

Velocity Board brings the team together.

"Now, everybody steps in to help. You can't hide anything. It's all right in front of you."

They can stop what they are doing at any given time and move people to solve a problem. "We can crash a job," she described it—put all their resources on it if it's more critical.

Of course it was a leap of faith, she says, looking back, to buy into something that sounded like just another infomercial, but that leap gave them all what she calls "visual confidence."

"I kept saying that we're going to get there, and we did." And 3 years later, they're maintaining it!



Criterion Tool's Velocity Team

Plus, it was really nice to win a few bucks from the boys.

Check this out

To learn <u>specifically</u> what Tanya did to improve her shop, watch a 47 minute webinar on "How to Get More Jobs Done Faster" http://www.velocityschedulingsystem.com

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