

Case Study: Turning Around Unacceptable Scrap Results Using Existing Data

- A major manufacturer was bleeding profit from excessive scrap, missing targets every month.
- The data was there - scrap logs, defect descriptions, part numbers - but none of it was driving results.
- Together, we implemented structured, team-based problem solving and used data they were already collecting to build a RootSolve KPI Command Center display and completely turned around the results.

Site Snapshot

- Industry: Automotive Components
- Workforce: 800 employees on 3 shifts
- Operation: high volume production

The Challenge

- Scrap costs were severely impacting profits
- Very active task force team was taking data-driven actions
- No significant financial improvement

Breakthrough Insights

- Task force was using ad-hoc action planning based on top scrap count PERCENTAGE contributors
- Financial reporting reflected scrap COSTS
- Top COST contributors were being overlooked
- No way to measure whether actions were working

Actions Taken

- Deployed structured, team-based problem solving
- Established a Scrap Cost KPI
- Created a Scrap Cost KPI Command Center using existing data
- Prioritized top cost contributors for targeted problem solving
- Displayed action effectiveness to guide team focus

Within 3 Months...

- \$4.1 million annual scrap savings
- Surge in teamwork and effectiveness
- Return to competitive cost structure

What This Means For You

If you suspect your operation could improve problem solving and do more with the data you already collect, you're probably right.