



European Furniture Group Blowing Up The Silos

Case Study Manufacturing

Preparing for future growth by empowering workers and redesigning processes

Company Name: EFG

Location: Nordic

Sector: Manufacturing

Function: Production

Business Challenges:

Replace a fragmented, silo-oriented culture with one which is collaborative, fact-based and results-focused.

Consulting Services:

Performance improvement, Change management

Capabilities: Organizational

effectiveness, Process Excellence, Lean manufacturing & engineering

Client Quote:

"It was almost a matter of survival for this site. We can see the change is bringing us in the right direction and we have the tools to take us further." Ulf Nilsson, Site Director.

Situation

Following a period of organic growth and acquisition, EFG, one of Northern Europe's leading suppliers of office furniture, had outgrown its business model. A siloed structure, lack of process controls and workforce confusion over roles and responsibilities led to excess inventory, backlogged orders, high costs and eroding profits. Its new owners, together with EFG's management, decided this had to change and selected its largest factory, as the focus for a comprehensive Change Programme that would transform the whole organisation.

Approach & Delivery

Celerant's worked closely with EFG's teams, from the CEO to the shop floor, immersing themselves in the factory's operations and identifying problem areas and early win opportunities through a diagnostic assessment.

They then set up 4 workstreams focused on Planning, Assembly, Quality and Machine Workshop, including machine maintenance. Task Forces were established to run these workstreams and Celerant provided daily Closework® approach to Task Force leaders and their co-workers to help them better understand and gain control over the manufacturing processes.

By redesigning these processes, strengthening governance and empowering the workforce to take more responsibility for outcomes, Celerant enabled EFG to exceed its goal.

Results

Over €4m annualised savings have been achieved and delivery performance levels have risen to 96%.

Assembly productivity has been improved from 45% to 62% and the backlog in machining assembly reduced from 1,800 hours to just 23 hours.

Most importantly, EFG has successfully shifted from a fragmented, silo-oriented culture to one which is collaborative, fact-based and results-focused. Workers now have a better understanding of how they fit into the larger organisation, how their process is connected to other processes and how their roles contribute to the total value chain.

Client Satisfaction

"The real change is the change of culture. To change the systems and processes is one thing - but to get people to change is a whole other story - and we accomplished that with the support of Celerant." Roland Setterberg, CEO.