



RESULTS AT A GLANCE

25%

Inventory reduction

17%

Productivity Increase

Scrap reduction

Incremental benefits in scrap reduction

CI

Implemented a Continuous improvement mindset

Created

Scalable platform for growth

Markets & Products

Detection & Diagnosis tests

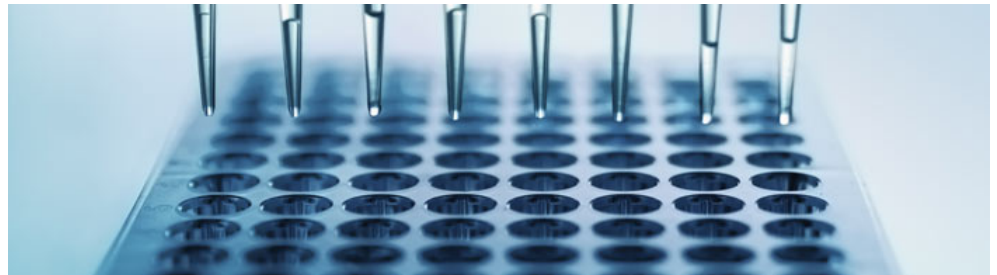
Rapid Visual tests

Pharmaceuticals

Healthcare

Life Science

A developer and marketer of in-vitro diagnostic kits for virus identification and endocrine diseases

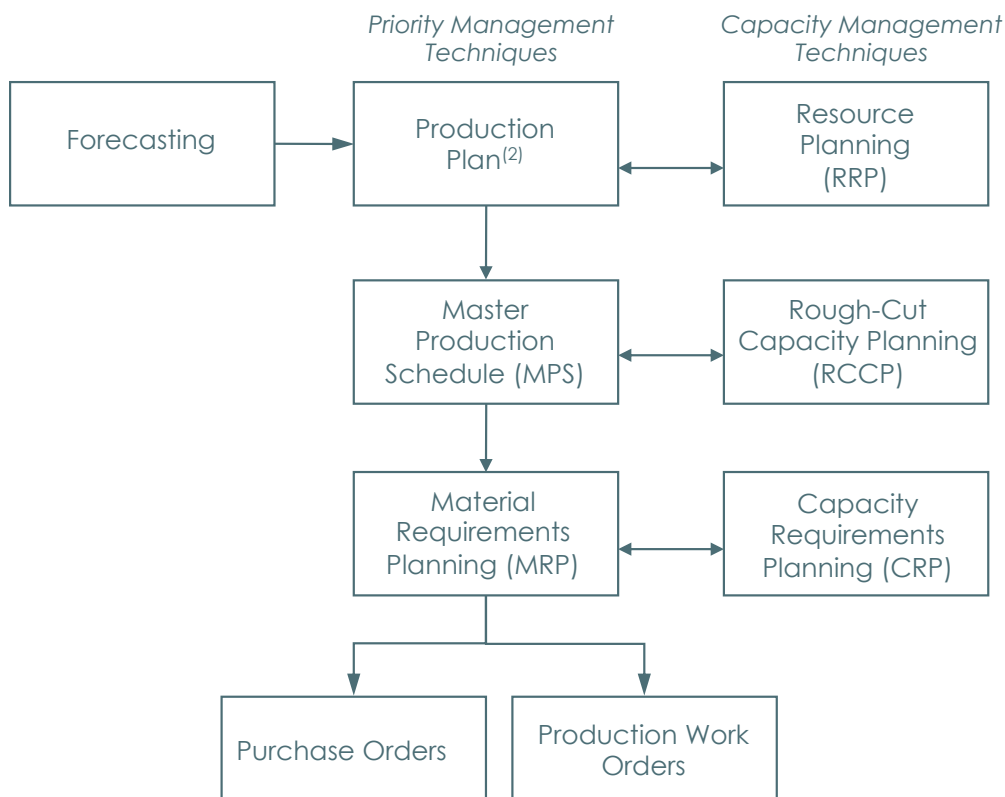


A diagnostic healthcare solution company with expertise in rapid point-of-care (POC) diagnostic tests recently acquired a complimentary non-infectious and autoimmune disease detection business. To accelerate product innovation and set the stage for growth, the parent company needed to deepen enterprise-wide integration, create new core competencies and build fast, flexible and scalable operational processes in the acquired company's operations.

Additionally, the acquired company suffered from an underleveraged workforce with functional skill levels below industry standards and a leadership team with limited formal business procedures and performance management experience.

Argo's Actions

- Established planning & scheduling processes in line with industry norms
- Developed area task/activity workflow balancing and productivity standards; establishment of visual controls for visibility and transparency
- Designed a staffing model to leverage temporary employees and updated job descriptions and recommendations for required knowledge and skills
- Deployed an Accountability system, with associated tools, cascading roles / responsibilities, performance metrics and a process for sustaining performance



Execution framework. Argo established a solid foundation with tools to ensure execution across all stages

Production planning: Actions taken in key areas

Forecasting

- Before: a forecast business plan existed at financial level only. There was no direct translation of financials to operational requirements, i.e. material and resource planning
- After: forecast was developed by work area and linked to financial plan with production history tracked via scoreboards

Production Planning

- Before: individual departments planned resources based on their own expectation of demand
- After: implemented a long-range production planning process

Master Production Schedule (MPS)

- Before: no MPS in place and high overage
- After: established a weekly schedule review meeting to review actual production to planned and forecast and align production, scheduling, purchasing and customer service

Material Requirements Planning (MRP)

- Before: there was a lack of formal inventory rules and no standard reports and tools to manage inventory
- After: identified top 50 items critical for inventory management / turns, defined replenishment rules – Order quantity and Reorder point, and implemented tools and process for inventory management

Resource Planning (RRP)

- Before: an RRP was not in place due to the absence of accurate standards
- After: established an RRP process and developed an RRP worksheet tool

Rough-Cut Capacity Planning (RCCP)

- Before: there were no tools to adjust labor for seasonal variation in demand and labor was underutilized during slow season (6+ months)
- After: established a process to define weekly workload by work center

Capacity Requirements Planning (CRP)

- Before: There were no clearly defined productivity goals, resources were underutilized at work center level, and sharing of people between departments was limited
- After: developed daily labor scheduling tools, and shared resources across work centers



Argo is an operations improvement consulting firm that breaks through the traditional barriers of the consultant-client relationship. We are hands-on consultants who deliver real results and no excuses.

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