

CASE STUDY

Increasing Production Throughput Without Increasing Overhead

Industry: Industrial and Medical
Blade Manufacturing

Number of Employees: 55



Background

This Infor customer specializes in high-quality cutting blades for industrial and medical applications. They faced challenges in identifying and managing production bottlenecks, which they suspected were limiting profits. The management team was unable to pinpoint the bottleneck culprits due to the dynamic nature of the workload and resource allocation.

Challenge

Output being impacted by capacity limitations was obvious. However what was never obvious was where and when these limitations would occur. As workload continually changes, the bottleneck moves from one resource to another. Some Jobs compete over critical resources at critical times, while other resources sat idle. Thus, bottlenecks were forcing the manufacturer to react, rather than anticipate.

Solution

The company implemented Infor ERP, a system known for its innovative approach to uncovering and production bottlenecks. Infor ERP measures the "severity of resource contention," allowing management to anticipate bottlenecks and adjust resources proactively. This adjustment often involves minimal increases in operating costs and overtime however results in tremendous production throughput increases.

Results

22% increase in throughput compared to the same period the previous year, without the need for purchasing new machinery or increasing labor costs

The implementation of Infor ERP has allowed a more proactive approach to managing production constraints. By focusing on throughput—and understanding the impact to bottom line profit—management was able to increase output significantly.