



How Much is Eight Days of Lean Training and Employee Continuous Improvement Activity Worth?

More than they ever could have imagined, according to one manufacturer. With only eight days of training behind them, Good Harbor Fillet estimates that they have already affected savings of over \$1.6 million per year.

Good Harbor Fillet, a frozen seafood processing plant in Gloucester, used training grant money from the Massachusetts Workforce Training Fund to provide eight days of training on lean manufacturing methods for many of their employees. The training was provided by GBMP, a Massachusetts nonprofit organization that helps companies apply continuous improvement principles and tools in order to improve productivity and increase competitiveness.

As part of their training, Good Harbor Fillet employees learned to identify and expose process problems that affect quality, cost and throughput. They then worked together to develop and implement a number of simple countermeasures to some of the most obvious issues they observed. The results from the first quarter of 2009 are proof that the Good Harbor employees have succeeded in using their training to affect the bottom line.

Some examples:

- ◆ Significant increase in monthly output while cost per pound of output has decreased by over 50%.
- ◆ Average order leadtimes have been cut from 10 days to between 5 and 7 days (a 25% improvement).
- ◆ Excess in pounds packed has been reduced by almost 75%.
- ◆ Changeover times on the production line were cut in 1/2 from twenty minutes to less than ten.
- ◆ Good Harbor has been able to accomplish all of this while using significantly fewer temporary employees.

Bill Stride, President of Good Harbor Fillet, admits he had some reservations when the training was proposed, but now has this to say:

"I lumped GBMP in with my typical opinion of consultants. But what I found is they 'walk the talk' and know their stuff. Our trainer spent a little time teaching us the concepts, then immediately rolled up his sleeves to work sidebyside with our people so they made the changes that have resulted in quantifiable improvements way beyond my expectations. Here's one example of what I mean. On Friday, March 9th, we started the day with 3 of 4 production lines down, faced a major schedule change on one line in midmorning, and figured we were set up to be in survival mode the entire day. Instead, we finished the day with a record 140,000 lbs of production testimony to the hard work and lean innovation of our people. Three of our Line Supervisors got together to establish a system to keep the main lines running 8 hours per day by staggering employee breaks. We completed a similar process the following day and calculated that the new run rates would generate incremental throughput equivalent to 10 production hours, or approximately 50,000,000 more pounds per week depending on product mix. This forward, creative thinking of our Supervisors and employees has generated an opportunity for greater efficiency with no additional aggravation just a little more coordination."

With only eight days of training behind them, Good Harbor Fillet estimates that they have already affected savings of over \$1.6 million per year. Their cost? The wages paid to employees for the time spent in training and improvement teams, plus a few small expenses for materials and snacks. And the best part? The company is convinced they are just getting out of the blocks, and there are many more improvements that can be made.

According to Human Resource Manager, Lisa Lurie,:

"The results of this program were exceptional and we are confident we will continue to see more improvements and costcutting savings on an ongoing basis as the lean team continues to apply improvements to their daily jobs and train others to find and eliminate waste."

Not only are Good Harbor Fillet employees energized and excited about the changes made and looking forward to continuing on their journey to operational excellence, they are also spreading the word to their suppliers. Recently the company held a supplier day to encourage more than 20 supply partners to take advantage of lean concepts to reap benefits in their own operations.

For more information about Good Harbor Fillet visit www.goodharborfillet.com
For more information about GBMP please visit www.gbmp.org.

