**Client Success Story: Major Manufacturer Re-Energizes**

**By PeopleWorks Staff  
*Copyright © 2013***

The setting: A $120 million plant for a major steel manufacturer was struggling in multiple areas including performance, people, and profitability. Sales were down, profit was down, employee morale was down, turnover was at an all-time high, union threats were present, and the plant as a whole was stuck spinning it’s tires. The plant’s Key Performance Indicators (KPIs) of safety, quality, and efficiency, were stagnant or declining across the board. In addition, the plant was one of the bottom performers across the entire division of the corporation. Essentially the plant was faced with three options:

1. Do nothing and hope for a turnaround
2. Shut the plant down, or
3. Find someone to help them

Not sure what to do, this organization turned to PeopleWorks to help get operations back on track and headed in a positive direction. Having an exceptional strategic plan is foundational to success, but the ability to communicate it with clarity to associates at all levels is essential so that the implementation aligns with the specific goals of each strata of the enterprise.  Most organizations fail to bridge the gap between exceptional planning and execution due to inadequate alignment, clarification and employee engagement. PeopleWorks set out to help this organization accomplish just that.

The first step PeopleWorks takes with any client is the discovery process. This process begins with measurement in order to find out what the facts are and compare perception versus reality. This always involves one or more of our proprietary measurement tools such as our Union Vulnerability Assessment© (UVA), Employee Engagement Survey, Supply Chain Assessment, Customer Driven Analysis, or Manufacturing Excellence Assessment among others. Throughout this initial 3-week process, measurements are taken, interviews are conducted, plant tour analysis is completed, and frequent discussions take place with the key leaders.

After going through this initial process with this facility, PeopleWorks presented the overall analysis with a strategic plan and list of recommendations to the key leaders of the organization. Based on these recommendations, PeopleWorks was challenged by the manufacturer with several tasks including:

* Reduction of turnover by half within six months
* Increasing performance efficiency
* Designing and implementing new training & hiring processes
* “Union Proofing” the plant
* Improving overall operations to add dollars to the bottom line

PeopleWorks went to work immediately in order to develop the plant leadership and partner with them to focus on a specific set of goals and implement a defined strategy to achieve significant and timely results. Through integrating leadership development and talent management with strategic planning and process improvement, the plant started to see serious improvements in the team culture and the financials. Within the first year, here is a list of some of the tangible results achieved:

* Revenue increased by 10%+ over best year ever
* Profit margin increase by 18-20% over best year ever
* Turnover
  + 12-month average prior to PeopleWorks arrival ~ 105%
  + Last 6-month average 48%
  + Current run rate under 30%
  + Total annual cost reduction of over $2,500,000
* Efficiency
  + Avg. Before: 87%
  + Avg. After 6 months of PeopleWorks: 101%
* Overview of general improvements
  + Hit full quarterly bonus for first time in over 3 years
  + Reduced absenteeism
  + Reduced past due shop orders by 85%
  + Reduced inventory by 5%
  + Overtime cost reduced by 15%

Arguably, the most significant performance improvement indicator is the $3,500,000-$4,000,000 increase in net profit for this manufacturer. Through partnering with PeopleWorks, this plant was able to increase efficiency, productivity, reduce cost, and develop a strategic plan in order to continue down this path of continuous improvement.

**About PeopleWorks International**

PeopleWorks International is the industry leader in integrating leadership and business strategy with focus areas such as culture change, talent development, and change management in order to accelerate business performance and profitability. We have served multiple fortune 500 companies across the United States and abroad helping them generate results through multiple areas including business strategy, leadership development, mergers and acquisitions integration, turnarounds, and union proofing. Some of our clients include Mitsubishi, EOG Resources, Toyota, Caterpillar, Trinity Industries, Texas Security Bank, JJ Taylor Companies, and Boeing.

**For more information please contact us at:**

**800.505.3978**

[**www.PeopleWorksInternational.com**](http://www.PeopleWorksInternational.com)

