



Supplier Performance Improvement

Problem Solving

Project Overview

A major manufacturer enlisted the help of CGN to work with a supplier in their European division identified as being in need of performance improvement. The manufacturer engaged CGN to improve supplier quality metrics given their numerous unsuccessful attempts in the past. Porosity was causing the supplier to have a large amount of products returned as unacceptable. Initially, this problem had been viewed by the supplier as inherent to the process and thus not solvable. CGN collaborated with the supplier to improve their quality performance (measured in PPM) and used CGN Problem Solving methodology and statistical engineering to improve the supplier metrics, resulting in Supplier Quality Certification and additional business opportunities with the major manufacturer.

Business Objectives

CGN's objective was to reduce the foundry's PPM to an industry benchmark level, reduce the defects in each re-defined defect category. Then, develop an execution plan to create an environment of operational excellence which would create sustainable gains for the supplier in the future.

Business Challenges

- Largest defect category was defined as porosity
- Porosity was explained as a result and not a solvable problem
- Paradigms on how the foundry was operating – over adjustment and too many variables changing simultaneously
- Supplier culture was risk averse
- Data Analysis was intensive

CGN Global's Approach

CGN redefined the defect categories which led to problem re-definition and created a breakthrough in problem solving. CGN determined dependent and independent variables and the relationships between adjustment and defect categories to make changes and execute actions. CGN was able to do this by executing quantitative analysis with a data driven approach and applying the CGN problem solving methodology. Results were then verified and validated to ensure sustainability.

Business Results

- Reduced Foundry PPM by more than 50%
- Qualified the supplier to meet the industry benchmark level of quality excellence
- Limited adjustments to levels that optimized defect reduction and reduced adjustments
- Variation reduction and process capability improvement

Our Expertise

The Problem Solving methodology we use at CGN is a proven approach toward improving operational performance regardless of the issue causing the problem or the solution needed to fix it. Most organizational problems have an unnoticed ripple effect across the company – effecting operations, the end product and eventually customer satisfaction. Our 20+ years of Problem Solving experience enables us to quickly and accurately identify key problems, detect the causes at the most foundational level, provide/implement the solution to improve overall organizational effectiveness.

CGN Global's Problem Solving Service is based upon 4 fundamental constructs that must fit within any problem solving process. These constructs have been defined and forged through years of practical experience and thought leadership:

- Problem Definition
- Fault Isolation
- Root Cause Analysis
- Corrective Action and Error Proofing

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