Lean Improvements Lead to Greater Order-Entry Efficiency



Background

Alden Tool Company specializes in the manufacture of surgical cutting tools, instruments, and components for the orthopedic, spinal, maxillofacial and cranial industries. The company is located in Berlin, Connecticut and has been operating as a family-owned business since 1947.

Alden's highly skilled machinists utilize the most advanced equipment and technology to produce superior quality surgical instrumentation. Their team works in tandem with the design and manufacturing engineers of customers to ensure expectations are met and to control manufacturing costs.

Multiple medical Original Equipment Manufacturers are served by the company with a focus on excellence throughout all phases of production, quality, and customer service processes.

Situation

On-time delivery is key for any manufacturer and Alden Tool is no exception. To improve its ability to meet its customer delivery obligations, Alden knew they had to trim the time needed to "get the job going." They were operating at about a 50 percent on-time delivery schedule for a project that typically takes 10 weeks from start to finish.

They were struggling with some orders, especially the repeat ones that might have just a few changes but enough to make it difficult to simply switch gears.

The leadership at Alden Tool recognized their operations were in need of some process improvements. They were aware the organization needed to become more efficient company-wide starting with order-entry.

Results for Alden Tool:

- Increased sales: \$100,000
- Retained sales: \$300,000
- Jobs created: 3
- Jobs retained: 2
- Cost savings: \$75,000
- New equipment: \$400,000

Nobody is carrying inventory anymore. So when a customer tells us when they want their job completed, they have to have it when they need it. Which is why working with CONNSTEP was really beneficial. Reorganizing our order-entry process and flow allowed us to significantly improve our on-time delivery which enhances the value we add to our customers.

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John Killeen Vice President Alden Tool Company, Inc., Berlin, CT



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Alden Tool had previously worked with CONNSTEP, Connecticut's MEP center, and turned to them again for help in determining what to do to be more efficient when the order gets on the floor.

Solution

CONNSTEP understood the challenge facing Alden Tool and focused on improving their manufacturing scheduling and flow. Training select Alden staff members in Lean manufacturing tools and techniques helped to identify needed improvements.

Given that it was taking too much time to get a job going, job-kitting was recommended by the business growth consultant from CONNSTEP, in the form of a 1-2-3 position rack. Some set-up reduction was also involved in the process.

Since kitting involves the gathering of components and parts needed for the manufacture of a particular product, the Alden team took the time to see what resources and materials were needed to do the job. Individual components were gathered together, as a kit, and issued to the point of use. CONNSTEP also helped Alden Tool to standardize, putting things that need to be done in correct order and in a timely manner.

Results

Alden Tool was committed to improving their on-time delivery for its customers beginning with the efficiency of their order-entry system. Through the adoption of job-kitting, combined with set-up reduction and standardization they've registered a 40% improvement in production time.

Their on-time delivery consistently approaches 90%. The implementation of Lean tools and techniques have enabled the organization to do more with less. And maintain the quality standards their customers have come to expect from Alden Tool.

Metrics:

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CONNSTEP, Inc. is a consulting firm strategically helping companies in Connecticut to grow their businesses and improve operational methodologies, leading to increased profitability, improved efficiencies, and creating sustainable competitive advantages in the marketplace.