

2006 Excellence in Practice Award - Performance Improvement Category
Partner: ESCO Engineered Products (Covington, Kentucky)
Program: People Powered Lean

ESCO Covington, a heavy manufacturing plant, significantly improved its production efficiency by 23% representing a 1st year direct cost reduction of \$285,600 using the Lean Manufacturing Improvement Process integrated with a Human Capital Management System named People Powered Lean. In March 2004, the time from the production manager generating a labor requirement to first day was 10.3 weeks costing \$2,008/new hire with a 59% 1st year attrition rate. In six months, the project team analyzed, designed, developed, and piloted a modernized team mate acquisition program named People Powered Lean (PPL). PPL features a modernized hiring process; a scenario based interview/skills assessment; a "World Class" first day; a common skills training program; a production cell training program; a first 90 day coaching and feedback process; and a PPL management system focused on reducing the new team mates time to competency in their first job and reducing 1st year attrition. The over arching goal was to create new team mate engagement from first contact leading to improved business performance. In 2006 PPL reduced the time to 9.3 weeks to 1 week;