

Specialty chemicals division Operating consistently, globally

Case Study
Chemicals

“One way to manage, organize and work together, globally”

Company: The specialty chemicals division of a leading consumer products company

Sector: Chemicals

- \$8B specialty materials company
- Delivers technically advanced products and services to customers in more than 100 countries
- 16,500 employees
- 87 sites in 27 countries

Function: Production, Maintenance Logistics, S&OP

Client Quote:

“We have consistently exceeded the benefits case, even at sites which were considered excellent performers”

Global Program Director

Situation

The specialty chemicals division of a leading consumer products company had publicly committed to maintain flat cost in order to increase margin in the specialty chemical business. They had some issues though.

To achieve this desired state required some outside support. With 87 facilities around the globe, they needed to identify a way of implementing consistent improvements and solutions globally that would deliver the required benefits of increased capacity and productivity.

Global production costs and operating methods varied greatly creating barriers to truly leveraging the global workforce and supply network. Organizational structure and roles were not consistent preventing mobilization of talent and crosstraining of best practices

How did we operationalize the strategy?

They decided to look for outside help to assist in developing the strategy to improve cost per unit further and create one way of operating globally. Celerant completed an implementation at the best plant globally improving production capacity 12% & 16% for the 2 production processes while reducing operating cost by 10%. During the project, Celerant worked hand in hand with client global resources to transfer skills and methodologies utilized to drive

the improvements. The team then formed a global team with representatives from all four geographies to create implementation manuals for organizational effectiveness, maintenance excellence, production optimization, production scheduling, performance assessment and project management. The manuals formed the basis of the global implementation standard.

Results

- Developed a culture of consistency:
 - Jointly developed implementation manuals for Production, Maintenance, Supply Chain and Program Management
 - Set up Global Program Management Office (PMO)
- Created internal consulting team:
 - Staffed in consulting roles
 - Received project management and developmental coaching
 - Coordinate staffing assignments and development needs through global PMO
- Capacity increases ranged from 2%-32% per plant
- Operating cost reduction consistently greater than 10%
- Program has delivered over \$75MM in annualized budget and yield savings, while delivering 10% - 20% improvement in capacity.