



RENOIR CONSULTING

CASE STUDY

Dennis Vehicles

Mayflower Automotive Group, purchased the Dennis Vehicles in 1998, after the latter group's best year ever. With Rembrandt's Consulting's assistance during due diligence, Mayflower decided to divest itself of three of the four businesses in the Dennis Group and focus on bringing the bus arm of the business into the Mayflower mainstream, quickly and effectively. Working together, the Dennis-Rembrandt project produced an annual improvement of over £500,000. The project paid for itself during its four month-long life.

OVERVIEW

Dennis Vehicles makes fire trucks and bus chassis. Their fire trucks, with the familiar DENNIS emblazoned across the front, are a familiar sight throughout the UK. The company also makes the Dart chassis, the most popular single deck bus in the UK, and the Trident double deck range.

Although Dennis Vehicles had its most successful year in 1998, the market was changing and the consolidation of their customer base, along with greater competition, was exerting greater pressure on chassis margins.

THE ASSESSMENT

Rembrandt conducted a detailed three-week analysis of the Dennis operation in Guildford, near London. The findings showed that there was a potential to reduce build times by 20% –30% by tightening standards and removing the causes of lost time. It was decided to start the process in the frame shop, the first stage of the process, where the chassis frames are welded.

FOCUS PROCESS™ & IMPLEMENTATION

A 'mini-task force' of part time employees assisted the Rembrandt Project Manager with communication and implementation. The four month-long project would look at three distinct, key elements:

- The flow of materials: Working with both Stores & the Frame Shop, Rembrandt resolved space competition problems and blockages with new material flow layouts.

- Department structure: After moving towards a team-based working method, Rembrandt assisted with job specifications and the interview process to select team representatives and leading hands.

- Performance measurement system: The frame-shop's key problem was that exact weld times were not known. Measures were meaningless and overtime allocation was by experience.

In order to ensure ownership of the new processes in this potentially sensitive area, where overtime and reasonable expectations were likely to change, Rembrandt proposed to have a Dennis engineer observe the timings of frame load, weld, and unload. Additionally, an engineer's understanding of the processes would ensure the work was being done correctly.

The results were spectacular. In spite of existing problems, the observed times beat the standards by 10, 20, and even 30%. The findings were made available to the welders and new target times were determined. These were set above those that had been observed, to preclude arguments that the times were not achievable.

As the new structures gave more autonomy to the welders, the results were better than expected. Taking an interest in the new systems and in how well they'd

performed, the frame-shop responded by meeting and then exceeding the new times.

Dennis Vehicles' results showed an annual improvement of over £500,000 and the project paid for itself during its four month-long length.

"It's still working. We're still using the systems."

*Ray Bishop, Manager.
(2 years after project end.)*

Key Results

- £500,000 reduction in costs during project lifetime
- Performance driven culture
- Better inter-departmental cooperation

THE CAPACITY TO SEE
THE POWER TO CHANGE