



ARKANSAS ECONOMIC DEVELOPMENT COMMISSION MANUFACTURING SOLUTIONS (AEDC-MS)

Arkansas Manufacturing Solutions is the MEP Center for the state of Arkansas and is part of the Arkansas Economic Development Commission. Our mission is maximizing enterprise value for manufacturers through Organizational Excellence, Operational Excellence, Advanced Manufacturing, and Family Business services. Manufacturing Solutions works closely with many public and private organizations to bring world-class resources to Arkansas manufacturers. AEDC-MS has formal partnership agreements with four state universities, the World Trade Center, and other third party providers. In addition, the Center works with community colleges and local economic development organizations to ensure local resources are utilized in delivering assistance to manufactures.

ECONOMIC IMPACT

MEP Center impacts are based on clients surveyed in FY2023



\$244.4 Million

Total Increased/Retained Sales



2,155

Total Increased/Retained Jobs



\$49 Million

New Client Investments



\$10.9 Million

Cost Savings

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 **ARKANSAS**
Economic Development Commission
MANUFACTURING SOLUTIONS

LEADER STARTER KATA AND TRAINING WITHIN INDUSTRY JOB INSTRUCTION HELP COMPANY ACHIEVE BUSINESS IMPROVEMENT IN LESS THAN EIGHT MONTHS

ABOUT NORAC INC. Norac Additives is a metallic stearate manufacturer located in Helena, Arkansas. The plant was constructed in 1981. In 2004, the division embarked on a product program to expand and build upon the core competence of metallic stearate chemistry. Significant investments have been made in both R&D technology as well as blending and production capacity. Currently, the plant employs 43 personnel.

THE CHALLENGE. The plant anticipated a need to increase its production capability due to continued strong demand for metallic stearate. The automated process of the business continued to be highly dependable, but there was a need to strengthen its leadership aspect to meet the changing labor dynamics. While lean manufacturing concepts had been introduced in early 2000, Norac's need to strengthen its frontline leadership had become apparent. Given the difficult labor market in the area, Norac needed to develop its leaders so that new hires would receive the necessary training to ensure a stable workforce. As such, Norac once again turned to AMS, part of the MEP National Network™, for assistance.

MEP CENTER'S ROLE. Norac needed to assure that all levels of the organization were addressing the right things, at the right time, for the right reason. Leader starter kata (LSK) was utilized by top leadership, in conjunction with middle management, to help communicate with the value adders about the need for positive change. In addition, the frontline leaders utilized the Training Within Industry (JI) program to develop training timetables and job breakdowns. Then, utilizing the 4-step method card, the importance aspects of the job were communicated to the employees.

"We have seen the benefit of utilizing the 4 step method card to help avoid errors when completing production tasks as well as assisting us with employee retention since this eliminates confusion and frustration among new employees trying to learn a task. The LSK process and weekly coaching sessions have helped us improve in all three areas of our key performance indicators, process, communication and people. The biggest reason for our success is the weekly coaching sessions that ensure we stay on track using the LSK process to remove obstacles, so we continually improve. At this point in the process we are achieving results we identified at the beginning of training of retaining existing business, supporting sales growth and we are currently fully staffed."

-Bob Sewejkis, Plant Manager



RESULTS



10 jobs retained



\$12,000,000 in retained sales



\$6,000,000 in new sales



\$300,000 in cost savings

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