

OREGON SUCCESS STORY

AMPCO TUBES REDUCES TURNOVER AND WINS BIG WITH PRODUCTIVITY GAINS AND COST REDUCTIONS

ABOUT AMPCO TUBES. AMPCO Tubes, a fabricator of custom tube and pipe bending solutions in Portland, Oregon, provides quality tube bending solutions for every industry.

THE CHALLENGE. AMPCO's employee turnover rates were high, and the ripple effects were felt throughout the organization. Leadership at AMPCO wanted to make their business a better place to work and thrive.

MEP CENTER'S ROLE. After OMEP, part of the MEP National Network™, was engaged, consultants knew the first step was to understand the core issues from the perspective of those who knew it best – the employees themselves. Through comprehensive surveys and direct engagement, the OMEP team discovered that communication was the top issue affecting morale and operational efficiency. Next on the list were a lack of standard work, organization of shop floor tools and work in progress, and training issues.

The OMEP advisors' approach addressed immediate concerns while also building a foundation for long-term and sustainable growth based on three key initiatives. First, OMEP helped AMPCO create standard work for 17 processes. Standard work is a combination of workplace visuals and documentation that includes the preferred method of doing a job. Creating standard work and training to that standard creates a repeatable sequence of events to do a job. OMEP also implemented train the trainer to help improve overall readiness for new hires, ensuring that the procedures would be followed in the same way for years to come.

Next, OMEP instituted more visuals including daily accountability boards to track daily output, backlog, personal availability, and to highlight any obstacles. Finally, the team implemented 5S training and methodology. 5S is a technique for workplace organization that provides for a well-organized, safe, and efficient workplace. As these strategies were implemented, the atmosphere at AMPCO began to shift. The daily accountability boards became hubs of interaction. 5S methodology brought a sense of order and pride to the workspace. Standardized work instructions bridged gaps that had previously caused confusion.

To maintain changes, leaders' standard work was implemented. A manager takes weekly Gemba walks on the production floor, making sure the process is working as defined: accountability boards being filled out correctly, 5S still intact, and WIP is organized. Once a month, other leadership walk the floor together to ensure that processes are still being followed. Any problems are taken care of proactively.

RESULTS



30 jobs retained



\$400,000, a direct result of increased efficiency & reduced inventory, machine setup & runtime.



Sales remained stable



Improvements were achieved without costs for new equipment or softwared

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"We anticipated improving our retention rate and making our company a better place to work - but the benefits OMEP provided went far beyond that. The radical changes in our processes had a huge impact on our productivity and output and has truly positioned us well for future growth."

-Roxanne Morrisey, General Manager

