

Improved Fab Shop Speed & Efficiency with Automation

A global provider of fasteners and components sought to improve performance in its Fabrication Shop producing custom and made-to-order components. Leaders asked Kormac to develop and install more effective processes, KPIs, and automation to improve shop efficiency.

The Fab Shop had historically operated as a cost center. Client leadership asked us to transform it into a P&L-type business, with the Fab Shop quoting work that it would either win or lose according to its competitive pricing. An accurate pricing model was essential, as well as a method to quote prices, calculate actual costs, and track job progress and profitability.

Together with our client partners, we:

- ✓ Analyzed all processes within and influencing **Fab Shop performance and morale**
- ✓ Improved **operational processes** from pre-sale to production to final customer delivery; established Standard Operating Procedures, Work Instructions, and clear “swim lanes” for Sales, Procurement, and Fab Shop functions
- ✓ Developed **KPIs and dashboards** to manage performance, including output by employee and on-time delivery
- ✓ Implemented **visual management digital display boards** to communicate customer priorities and operational performance metrics
- ✓ Assessed suitability of current equipment; discarded 57 obsolete machines and installed **updated equipment**
- ✓ Enhanced manufacturing capabilities and speed by installing a **collaborative robotic welder** and a Timesaver **automatic sander/deburr machine**
- ✓ Completed **cost/benefit justification** for a new laser cutter with a payback of 4 to 6 months
- ✓ Coached area supervisors on **short-interval scheduling**, issue handling, capacity planning, and performance management
- ✓ Developed and implemented an **automated scheduling** system
- ✓ Partnered with HR to address **span of control** and implement a new **organizational structure**
- ✓ Completed **floor plan reorganization** to optimize product flow, eliminate wasted space, and make room for growth
- ✓ Established processes to **track costs** for each job and a scorecard for tracking **quotes won or lost**

Results

⚡ **Increased job speed 5X in Cobot Weld area**

From 10 hours to 2 hours or less

⚡ **Increased finishing speed 60X with Timesaver sander**

From 20 minutes to 20 seconds per part

📦 **Liberated 32% of shop floor space for future growth**

💰 **Enhanced proposal win rate**