

Cargill Realizes Rapid Results Through Operational Excellence

CONSUMER PRODUCTS

Business Challenge

Cargill is a global manufacturer and marketer of products and services in the nutritional, agricultural, industrial and financial sectors. One of its major Business Units, Cargill Starches & Sweeteners Europe, operates in a highly competitive market with seasonal and rapidly increasing raw material costs, so it had to become more competitive. As crucial production sites in the European network, two plants in the Netherlands had the potential to significantly improve performance, so Hitachi Consulting was appointed to help design and implement the Catalyst Project, aimed at restoring accountabilities and increasing cost control through aligned processes, increased ownership and genuine behavioral change.

Approach

Hitachi Consulting's experts conducted a robust analysis which revealed that production output, energy usage, logistics costs, maintenance efficiency and procurement spend could all be improved. So operational excellence and performance management were designated as the key workstreams, with a robust project management structure aligning both plants on approach and best practice sharing.

Following Hitachi Consulting's Closework® approach, a multidisciplinary Cargill-Hitachi Consulting team focused the project's first phase on designing processes and developing a performance structure. The first benefits, including a 25% time reduction in production bottlenecks, appeared rapidly, engaging all team members.

Hitachi Consulting also worked with the production and maintenance departments to implement a sustainable management approach on plant production performance, aligned with the supply chain function.

Connecting customer demand to weekly and daily production performance enabled the supply chain function to optimize product switches and manage inventory. Hitachi

Consulting also guided the restructuring of the purchasing spend, so that improved procurement processes were implemented with a robust vendor management system.

Results

Operational savings worth millions of Euros per year have been achieved from solid yield improvements, energy efficiencies and improved productivity in all operational departments.

A genuine drive for continuous improvement has been installed, driven by clear roles and responsibilities and agreed KPIs from operator level right up to plant management.

“I am very proud to see the whole team go through the change curve and deliver real savings for Cargill. Of course the challenges ahead require more hard work, but when we have everyone pulling in the same direction it's just a great way to do your job and be part of a winning team.”

Plant Manager.

“Closework® approach: the right balance between challenge and support; the Hitachi Consulting team knew how to challenge and support our team in the right way to maximize results.”

Cargill, Procurement Manager.



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