

Developing Effective Reactive Improvement @ OneSteel

As the main purpose of CTPM's TPM & Lean Annual Forum is to share learnings, every year CTPM invite organisations to present their experiences so we can celebrate their achievements and demonstrate how TPM & Lean (TPM³) can be successfully implemented.

This year, attendees were lucky enough to hear from Brett Perrin, the Operations and Site Manager at the **OneSteel – Australian Tube Mills, Somerton VIC** site. Brett discussed the importance of Effective Reactive Improvement and Frontline Problem Solving in Operations Excellence.

Figure 1 – OneSteel site at Somerton VIC



Previous to CTPM, the Somerton site has been involved in a number of improvement journeys in the past including Communities of Practice, Six Sigma and their "One Best Way" scheme. However, Brett felt they could achieve more through a different process.

"As a site manager, I wanted us to improve at a greater rate and I needed help," explained Brett

With the assistance of CTPM, Brett proposed a target of 60% Overall Equipment Effectiveness (OEE) for the site, but not everyone was as keen.

"Initially, all hell broke loose...but upon review they realised it does have some good alignment."

Before embarking on their Improvement journey, a number of objectives were set. Firstly, the site aimed to develop a good balance between Reactive Improvement and Pro-active Improvement. Whilst working on Six Sigma Pro-active solutions, the engineers were not receiving the desired results, so the second aim included finding a solution for Reactive Problem Solving that could also be applied to Pro-active Improvement projects.

In order to ensure maximum involvement, Brett wanted to encourage the engagement of the frontline employees within the process.

"We are blessed at Somerton with a workforce that is fairly motivated and highly skilled...they want to contribute more than just making squares and circles," said Brett proudly.

In the past, employees at the site would often use work around strategies to overcome issues. Therefore, Brett's third and final aim was to establish a problem solving process that would allow employees to get to the Root Cause of any problem.

To kick the journey off, two teams ran parallel over a 14 week period. During this time, the teams were extremely active and everyone was highly involved in the Frontline Problem Solving process.

With the help of internal Lean team members and CTPM Senior Navigator, Paul Furtado, the projects ran smoothly and the employees involved excelled in their Improvement Activities.

One of these major projects involved a Mill 7 Raft encoder reliability issue. Due to a failure of the encoders on the forming rafts, Change Over Times were being extended. As the Electrical Team often received the rap for these issues, they chose to confront it to redeem their credibility.

Using Cause & Effect Diagrams, the team were able to identify two major causes; water ingress due to damage to the encoder, as well as power supply surges. Through Root Cause Analysis strategy, the team agreed the installation of line filters and Surge Suppressors would resolve the issue.

Through this process, the site made 20% improvement to the Change Over Times and made Availability savings of approximately **\$20,000 per annum**.

And according to Brett, those were not even the best results of the process.

“The \$20,000 is nice... but I’ve got an Electrical Team that is now a very cohesive unit.”

The site was also able to tackle an issue they had with wet bore rejects on Mill 8. This problem was chosen by the mill workers, the most recent team at Somerton. Despite their lack of experience, the group were able to identify the Root Causes and soon recognised the simple but effective approach to install new valves and appropriate sized loclines was the best solution.

As a result of the process, the reduction in wet bore losses has improved their underlying yield performance and will produce an estimated **annual benefit of over \$50,000**.

These Reactive Improvement processes have been implemented as daily activities and have resulted in sustained outcomes for the Somerton site. By developing new standards, priorities and practices, the teams have maintained their improvements beyond the conclusion of each project.

Figure 2 – Brett presenting at the Forum



The Somerton teams began their journey in the first half of 2012 and individually, training projects have yielded significant returns in annualised savings. Although the financial benefits have been great, Brett notes that it is the intangible results that have proven most worthwhile. **The site now has greater engagement from the frontline, resulting in a greater relationship between leaders and the frontline workers.**

“We’ve closed the gap!” smiled Brett.

Now a few weeks into their third wave of Frontline Problem Solving training, Brett hopes to get every member of the business involved.

“My intent is 100%,” he explains “We want everyone on site to run through the program.”

The OneSteel Somerton site has already achieved impressive results in a short period of time and with on-going plans for future Improvement, CTPM have no doubt that they will continue to do so.

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