

# CHAPTER V

## Conclusion and Suggestion

This chapter is intended to assess the limitations of research study. By systematically approach of goals and objectives deployment at ABC Company the research capture one project from engineering department and assess to their current situation, analysis, conform improvement plan, implementation and evaluation. Based on summary of major findings there are some recommendations are made.

The research captures many aspects of process improvement and relations among its factors. The strategic deployment is view from both sides (management and employees) with the purpose that management should try to understand the current constrain, problems and issues of their production plant. This help produce a close and comprehensive view on processes and effectiveness of strategic deployment. To achieve its strategic issues, in this chapter the research will provide recommendations to the ABC's management for their improvement efforts.

### 5.1 Conclusion

On overall, the employees are happy with the goals and objective proposes by the company, but their satisfaction is disturbed by several factors such as performance appraisal, training and development, feedback mechanism, tools, machines and spare part availability and others. The most critically to fix is performance base appraisal and team working; they deserve special attention efforts from the top management to fix them.

From the Blueprint for Change Approach, the holistic plan was created by top management team as describe in Chapter Three, the plan using as a company roadmap to get target achievement. From that plan, each department required to derive the holistic plan to create their individual roadmap from combination of department's

KPIs and strategic support. Therefore, scoping the target and create the improvement plan.

Chapter four, concentrate in process improvement in Engineering Department, including of select one project for implement. The content started with creates the department strategic map and development plan use for lead and prepare the department to achieve the target. Continue with Project Selection Process, selecting the right project can have a tremendous effect to the business. If the done properly, processes will function more efficiently in a short period of time, employees will feel satisfied and appreciated for making business improvements and ultimately shareholders will see the benefit. Project selection process started with select strategic issue, select the strategy to support the action plan, assess current process for both benefit gain and restriction, prioritize the project then select the project that can support the company target the most.

Once the project was selected the implementation plan required to set up, the process including of assessment, analysis action plan, evaluation and conclusion. In this case, Engineering Department selected the Scrap Cost Reduction to be implemented, all the process as describe above is provided in Chapter four. There are several methodologies and techniques are applied in this project such as FMEA, SPC and Problem solving technique.

The project result show successful by scrap cost reduction rate reduced from 14% to 10.33%. Therefore department's target, company's goal and strategic issue would success respectively. From the project evaluation by Blueprint for Change Approach, the project result affected to the department and company target as following summary:

- Scrap rate reduction project affected to department goal by increased OEE value from 65.95 to 68.46%, target at 72.48%
- Scrap rate reduction project affected to company target by 5.71% and affected 38.06% to the goal "*Improve manufacturing base on production performance*"

- The rest 3 department projects have to create the OEE affected not rather than 4.02% in order to accomplish the department and company goals.

For other departments, required to accomplish as same as Engineering Department, since create department strategic map, create development plan, listed project for improvement, prioritize projects implementation, project implementation and evaluation then close with provide the control plan. To drive the company success according to the target required effective project selection and implementation from all departments not only one particular department or a group of people.

As discuss with some others department manager, found that they were done as same as Engineering Department since created department strategic map, created the development plan and listed of keys project improvement such as following items but the research did not get into details of strategic deployment process with any specific department because of time constrain as mention in the Limitation of Research.

#### **Human Resources Department:**

- Reduce the time required to hire an employee
- Improve employee on-boarding and orientation processes
- Improve timeliness and the value of employee performance reviews
- Reduce absenteeism
- Improve training efficiency
- Improve employee satisfaction
- Identify and correct retention issues

#### **Shipping/Receiving Section:**

- Improve on-time delivery of products to customers
- Improve on-time delivery of goods to our facility from vendors
- Improve documentation accuracy
- Reduce line downtime due to shipping/receiving
- Improve inventory control/rotation
- Improve inspection processes

**Information Technology Section:**

- Reduce network/server/application downtime
- Improve process of logging-in to network from remote locations
- Improve system reliability/uptime
- Standardize computer loads for configuration and support productivity improvement

**5.2 Suggestion to Company Management**

The most important driver of breakthrough improvement is leadership, creativity, and innovation. Executives management must lead and mentor their people in the right directions and assure that their actions are linked to strategic performance. They need to deploy limited resources to the highest impact areas and not try to solve every problem in the company. To accomplish this, they need to understand their improvement methodologies, and how to integrate these tools into an overall business improvement strategy.

Leadership, Creativity, and Innovation, This element aligns strategy and deployment, mentors the organization through the right execution path, and drives cultural change. When the leadership team understands their strategy they can provide clearer focus on what needs to be done to improve profitability and competitiveness.

The company should communicated thoroughly to everyone in the company what change are to be made, what impact process / area are to be foreseen and how employee will be able to handle the change, who should be communicated to when consultant required to overcome constraints they are facing during the change process. Change management should be conducted early before any program started to ensure information get through and all employees clearly understand benefit and impact they are going to have.

### 5.2.1 Improvement individual capacity

To improve individual capacity given limited recruitment, the only way to improve needed capacity is training and re-training.

- Training should be well integrated into the company direction plans in order to prepare the right employees for freight forwarding services.
- Training program should design setting up both internal section, utilizing with the help from some existing expert in the company. Outside training is the options available are the workshops or intensive courses with participation of the experts in the field.

### 5.2.2 Training and development

As a matter of fact, on average ABC's employees have been staying with the company for 2 years the most since the plant just establish in year 2002. Current training on job skills is provided sufficiently, especially for production people. The company wants to promote the spirit of continuous improvement and innovativeness in the area of productivity and efficiency of problem solving skills. So the suggestion in training and development are as the follows:

- Emphasize in technical content: beside job skills training, the concerns should focus on the aspects of advancement technical skill and problem solving analysis. To create the opportunities of employees creativity and innovativeness.
- Improvement of communication skills: As ABC Company is the international chain company, almost the communication both inside and outside company is always English. There are many errors causing from the miss communication especially in conversation and also with the documentations, manuals or email are in English as a standard.

## **5.2 Limitation of Research**

The defined scope of this research is limited on only the Engineering Department and one project selection for improvement. This is may not be sufficient to get the best in result appraisal.

As the researcher is an engineer, there is some information that the company open only for management level which let the researcher confuse and take more time to clarify each items without this constrain the research can cover much more details of others department.

There are some important keys constrain in rolling out the new strategic approach such as resist change people; lack of sense of urgency and lack of the team workings. Without cooperation, the project toward success has to spend a lot more resources to get the job done.

## **5.4 Recommendations for further Research**

It should be good to conduct another systematic research at ABC Thailand Ltd. to evaluate the levels of satisfaction and coefficient relationships among various factors influencing satisfaction and dissatisfaction of both management an employees to the goals and objectives approach, to evaluate the levels of effectiveness of Blueprint for Change technique applicable in non-government business company and Investigate the less severity goals and KPIs to achieve company targets.

To enhance efficiency and productivity of such desired outcome, the research would require risk assessment and contingency plan from all departments at ABC Thailand Ltd., especially of the Quality Department and top management support.