

Behavioral-Driven Improvements Increase Wrench Time

| Company: Sucrogen - CSR | Sector: Sugar Production |

| Location: Australia |

| Services Provided: Work Management |

| Client Testimonial: "Our mill and factory reliability has improved and at the same time we have held our maintenance spending at a level below inflation" - Mark Day, Executive General Manager |



SITE:

CSR Sugar operates Australia's largest Sugar producing business with seven Sugar Mills located in northeast Queensland.

The company produces sugar from cane. Their products include raw sugar primarily for export, refined sugar for the Australian domestic market, and ethanol for the chemical and motor fuels industry.

CSR which stands for Colonial Sugar Resources has been in business for almost 150 years. This longevity is their curse...because they have become so tradition bound in most of their processes and culture.

CHALLENGE:

The CSR Sugar Mills Group had several previous attempts to correct deficiencies in planning & scheduling, equipment reliability, low availability and reliability resulting in lost production, and uncontrolled maintenance spending with little or no success.

The geographic dispersion of the multiple facilities contributed to highly diverse approaches and processes applied to maintenance and reliability.

CSR Sugar maintenance spending had declined each year over the previous 10 years, which had a significant negative impact on mill performance.

HOW WE HELPED:

An assessment of the total operation's of the 7 mill's processes, focusing on the existing maintenance work management system, production, logistics, and capacity planning, and found it to be variable and in many cases incomplete.

Our assessment team, comprised of almost two thirds of client personnel (engineering, maintenance, production and stores personnel), identified gaps in their management and planning.

The SAMI/CSR Design Team developed and validated a new work management process, developed the training, documentation and timetable for implementation across six of the facilities. We constructed a two wave sequence for implementation to minimise the impact and cost to the multiple facilities.

Collaboratively, SAMI consultants and CSR champions and coaches from the Design Team, plus other CSR Sugar management individuals from the various mills first installed the new processes, and then began a "sustaining" phase to firmly embed the new behaviours' and ways of working and thinking about work

management in each mill.

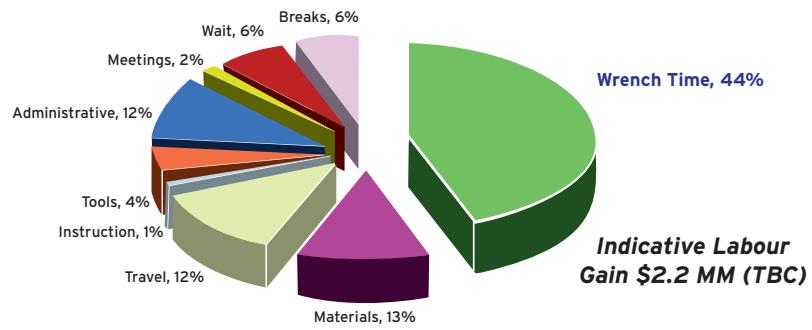
The Teams utilized KPI's developed during the design phase to track progress in each mill weekly. If a mill slipped off the pace set for progress, we redirected our troops to provide additional assistance in that area.

Additionally, the planning and scheduling function in all of the mills was in such poor shape that it necessitated additional training workshops for all of the personnel involved in planning / scheduling functions.

At the completion of the sustaining period, we audited each mill for compliance to the new ways of doing business and for the proper behaviours that predict the sustainability of the initiative using our APEX tool.

RESULTS:

The project, while not complete, has netted significant improvements in planning, maintenance effectiveness, improved quality, and reliability. One example of the bottom line improvement is the increase in wrench time for craft personnel.



November '09	44%
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March '09	39%
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Assessment	35%
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Wrench time improvements due to better planning and supervision have resulted in an estimated productivity gain of approximately \$2.2 million AUD.

CLIENT TESTIMONIALS:

"With a lot of consulting people they'll want to be up front and do the presentations and drive things from the front and hope that everybody comes along with them I think it's very different because it's more about

behaviors and cultures that they're in the backseat of the car directing people on the roadmap and letting them learn along the way so I think that was a very positive thing in terms of getting a culture change that would last. " - Mark Day, Executive General Manager

"I think the main thing that we have been able to achieve if you look at the main KPI's are our mill reliability and factory reliability has improved and at the same time we have held our maintenance spend at a level below inflation. So to be able to achieve those two things concurrently is a good achievement"

- Mark Day, Executive General Manager