Operational Excellence
In Pharmaceuticals Industry
Case Study
INDIA

About Client

The client is one of the top-ranked leading pharmaceutical companies, with their operations based in India. The client is having 6000+ employees. The client deals majorly in generic and specialty products.

The client’s products are divided as oral solids and liquids, topicals & injectables & sterile. The client has over 200 generic and 5 specialty products.

**Objectives**

- To increase throughput (production output)
- To reduce production cost
- To reduce breakdowns
- To reduce high in-process wastages
- Ensure efficient inventory management
- Improve production monitoring & control system

**Analysis**

After detailed analysis exercise, following key improvement areas were identified and finalized:

- Yield ratio was low
- High production cost
- High breakdowns
- Low throughput
- Underutilization of capacity
- High throughput time
- Lack of production monitoring and control system
- Improper inventory management
- Insufficient standard operating procedures

**Approach**

**Project Initiation**

- Planned & Designed OLE (Overall Line Effectiveness). Trained 50+ people to derive maximum benefits from it.
- Designed Autonomous Maintenance & Planned Maintenance
- Initiated various Small Group Activities. Trained 100+ people on Wastage Identification technique.
- Classified inventory by ABC analysis and other applicable processes. Implemented inventory management system.
**Project Implementation**

- Analyzed breakdown time trend and initiated and implemented autonomous maintenance to control & reduce the breakdowns
- Implemented kobestu kaizen (focused improvement) for equipment efficiency and improving machine uptime performance
- Identified stakeholders responsible for project execution and developed project tracking framework
- Implemented planned maintenance mechanism
- Trained 100+ people on waste identification technique for waste (muda / inefficiency) identification to reduce in process wastage
- Conducted ABC analysis and other applicable process to classify the inventory and efficient inventory management system
- Implemented Six Sigma and Total Quality Management for yield improvement
- Overall Line Effectiveness: Prepared overall line effectiveness framework for tracking the quality, performance & availability ratio achieved against the target set

**Results Delivered**

- 85% reduction in breakdowns
- Number of batches increased from 12 to 22 per month
- 42% improvement in number of batch production/month
- 7% reduction in the inventory
- Trained 150+ people on various process improvement initiatives
- Delivered savings worth more than INR 7 million via Small Group Activities

**Sustenance**

Implemented results shall be sustained over a period using Systematic Audit & Improvement Loop (SAIL) & Daily Work Management (DWM)

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