

## Client Testimonial

*‘The programme is a real success, SA Partners didn’t side track us with tools, they helped us develop the whole improvement system. They have helped us get to where we are today’*

*“The Silver Medallion will ensure that we set not only a world class benchmark, but will also provide a strong foundation for the long term success of Clydach refinery.”*

*Mike Cox, General Manager, Vale, Clydach*



## The Client & Their Challenge

- The refinery at Clydach just outside Swansea in South Wales, is owned by a Brazilian mining company, Vale. It refines nickel oxide from Canada into high purity nickel products in different forms including powder and pellets. Nickel is used in stainless steels, a wide variety of nickel alloys and the electroplating industry. Vale nickel products are sold to customers across Europe, the USA and Asia and are used in many diverse applications including a variety of demanding automotive and battery applications.
- The company needed to secure the long-term viability of the site. They had recently been taken over and needed to reduce headcount, address rising energy costs and aging workforce and equipment.

## Highlights of the Intervention

- Creating a long term strategic vision for the site and developing a ‘roadmap’ of how this could be achieved. The vision was split into three major elements:
  - Phase 1 stabilising production processes (the system of work)
  - Phase 2 developing and embedding CI (system of improvement)
  - Phase 3 focusing on sustainability (system of thinking and behaviour)



## Benefits Delivered

### Financial

- 20% reduction in the cost of production per tonne
- 93 million lbs of nickel produced and sold in phase 3
- All time productivity high in phase 3- 6% higher than any other time in the 100 year history

### Operational

- Zero lost time injuries phase 1-3
- 95% wastes recycled
- Late shipment from 120 in phase 1 to Zero in phase 3

### Ways of Working

- The site won the Shingo Silver Medallion in January 2014
- Employees are generating an average of over 300 suggestions per year



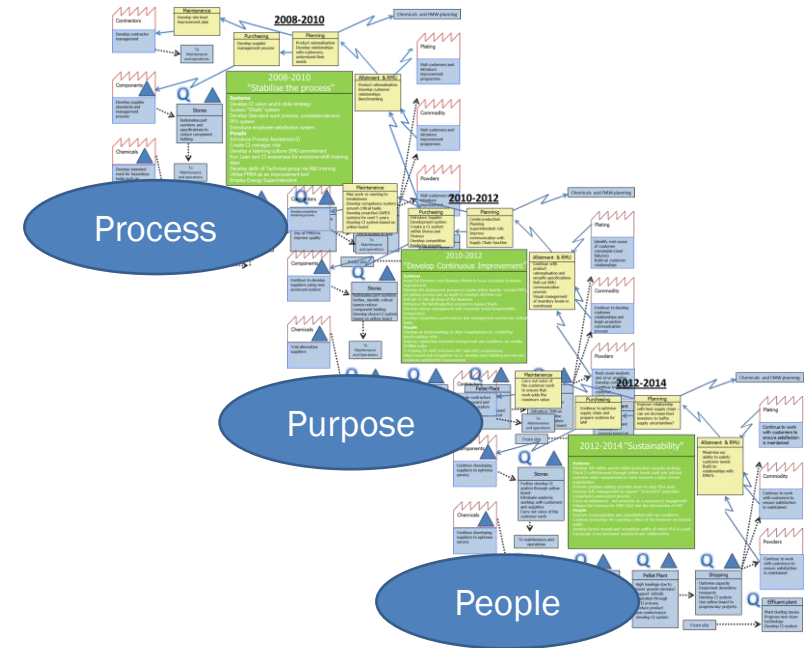


*“This is a fantastic example of teamwork where everyone played a part in the achievement of this prestigious award. I would like to express my sincere thanks and congratulations to all the employees and contractors who helped us to achieve this accolade,”*

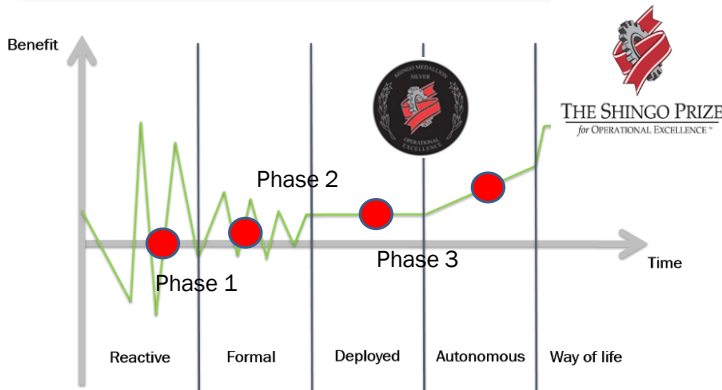
*Phil Hayman, quality and continuous improvement manager*

## What we did and found?

- This intervention was all about strong deployment and engagement of people through a journey that served everyone's interest. We developed a long term vision and built robust systems that could deliver it. It was not about tools or 'Japanese catchphrases'. Rather it focused on risk mitigation and sustainable continuous improvement.
  - Phase 1 stabilising production processes (the system of work). We developed a continuous improvement (CI) vision and communication strategy, standard work and an employee suggestion scheme. There was a particular focus on improving the throughput of the kiln bottleneck process. Awareness was raised and a cohort of coaches were developed.
  - Phase 2 developing CI (system of improvement). We deployed the strategic vision through visual management and escalation mechanisms, benchmarking ourselves against other organisations and aligning our reward and recognition systems.
  - Phase 3 focusing on sustainability (system of thinking and behaviour). We refined our strategic deployment and embedded coaching into our leadership practice. A renewable energy programme was developed and deployed. There was preparation for an integrated enterprise-wide IT system. The site was entered for a Shingo award.



## How we progressed the client on their journey



The key learning with Vale was organisational development involves the whole organisation. The programme was not about Lean or CI it was about doing work better every day and "Achieving Excellence in all we do"

## Summary & next steps

- The leadership team in the Vale Clydach site have come a long way in harnessing the latent talents of their people. Their progress has been consistent as a result of a clear strategic vision, an effective deployment process and a well trained collaborative team being the glue that holds everything together.
- They now look forward to working towards the Shingo prize and becoming the UK's first recipient. However, the bigger reward is the viability and security of the site for the foreseeable future and building a workforce that can continue to manage and improve the business.