

## **Customer-Focused Plant Operations: Managing Your Plant with the Customer's Values in Mind**

There is no doubt that customer service is the main focus of our industry. Each year, companies spend millions of dollars on software and training to improve their customer relationships. Organizations hire service representatives, sales staff, customer service specialists and a multitude of other employees in order to better support their customer's needs. This intense focus on customer service is not unwarranted. Studies have shown that improved service has a direct effect on customer retention, customer loyalty, the amount paid for services, even overall company profitability. Concentrating on customer service has a multitude of positive effects on your business.

However, traditional customer service will only get you so far. In order to take your company to a higher level, you need to become *customer focused*. Customer service is no longer only the concern of the sales and service departments; it is the responsibility of the whole organization. Your entire corporation must understand and support your customer at every level. Companies have done an outstanding job of improving customer service. Now it is time to improve customer focus and the greatest opportunity for improvement currently exists on the plant floor. This is the basis for Customer-Focused Plant Operations

### **The Goal**

The goal of Customer-Focused Plant Operations is to minimize costs and maximize value by restructuring your operation to support your customer's needs. This allows you to provide a higher level of customer support while simultaneously improving your internal operation. Here is how it works.

### **Step #1 – Identify Customer Values**

Identify the aspects of your service that are valuable to your customer. Start by asking yourself the following questions:

- What are customers paying for when they purchase our services?
- Why do customers want to do business with us?
- What do customers expect from us?

Also, survey your customers and ask them to define the value they receive from your services. Listen carefully; you may be surprised by what you hear. Many times, services that are defined as essential by the provider are deemed insignificant by the customer. Other times, exactly the opposite may occur.

Now, summarize your customer's basic values putting them into terms that are easy to communicate. For example, after surveying your customer base, you discover that they want clean, high quality products delivered in a timely manner. In addition, they would like products that are customized to meet their specific needs at a fair price. These values can be summarized as follows:

- Cleanliness
- Quality
- Timeliness
- Customization
- Price

### **Step #2 – Define the Production Process**

The next step is to accurately define your current production process from beginning to end. This can be accomplished by developing flowcharts, work descriptions, a list of processing steps, or whatever other means you feel is appropriate. Regardless of the method, your documentation

needs to be simple and concise. And it needs to accurately reflect the actual production process that exists within your facility.

### **Step #3 – Production Process vs. Customer Values**

Now you need to compare each step in your production process to the customer's values. As you review each step ask yourself, "Does this contribute to the customer's values?" If the answer is "yes", then this step is properly aligned with your customer's needs. However, if the answer is "no", then the step does not add value.

Let's look at an example. While documenting your process, you determine that soil products are transferred to the washroom in carts. The soil products are removed from the carts, loaded into the washers by hand and then washed. The washing process cleans the products. This step contributes to improving cleanliness and, therefore, adds value from the customer's perspective. However, transferring soil products by cart and hand loading the washers does not contribute to cleanliness, quality, timeliness, customization or cost. Therefore, these steps do not add value.

### **Step #4 – Improve the Non-Value Added Steps**

In order to increase customer value and improve internal profits, you must improve the non-value added steps in your production process. Improving the steps that do not add value will simplify your production process, reduce costs, and increase customer value all at the same time.

As discussed in the last section, transferring soil products in carts and loading washers by hand does not add value. Therefore, in order to improve this step, you can upgrade to washers that automatically load from a sling system, thus eliminating carts and hand loading all together. Another option would be to manually load the washers using a sling system, which would eliminate the carts and simplify the process of loading the washers.

### **Step # 5 – Improve the Value Added Steps**

Finally, you need to improve the steps that add value to your production process by:

1. Simplifying them or
2. Increasing their value

Let's use the washing process as an example. You can simplify the washing process by reducing the number of steps in the formula, thereby improving cycle time. You can also increase value by improving mechanical action, thereby improving cleanliness and quality.

### **The Bottom Line**

The beauty of Customer-Focused Plant Operations is that it allows you to focus on your customer's needs while simultaneously improving your internal processes. As you continue to increase external value, you also improve your internal profits. So, if you are ready to take your company to a higher level of customer focus, just follow the steps described above and you will be on your way.