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LAYERED QUALITY SOFTWARE

Case Study

A Top 50 Automotive Supplier

faced with high defects and customer complaints needed a new approach to its paper-based layered process audit (LPA) program. The solution: an automated LPA web-based application to conduct mobile audits, quickly address non-conformances with corrective actions and provide dashboard metrics for a high volume of internal process audits.

> BACKGROUND

The customer is a Fortune 500 company and tier 1 supplier with 40+ global facilities and billions in annual revenue. The company employs tens of thousands worldwide, manufacturing drivetrains and transmissions for leading automotive OEMs.

To satisfy customer requirements, the company established an LPA program to provide repeat checks of known risks and problem areas. Like many automotive suppliers, the organization originally relied on paper checklists and spreadsheets to conduct LPAs.

> CHALLENGE

According to the head of quality for North America, the paper-based LPA process wasn't delivering the results the company or its customers expected. One fabrication and final assembly plant in particular was struggling with unacceptable levels of customer returns, scrap costs and complaints.

Contributing problems included:

- Large numbers of overdue corrective action requests
- Low on-time audit rates
- Lack of accountability around audit completion and and timeliness of non-conformance closure
- Poor visibility into whether operators were following standardized processes, a primary cause of defects

The facility's high PPM and inability to demonstrate LPA effectiveness had the potential to put key contracts at risk.

The supplier recognized that manually entering data, sending reminders and compiling spreadsheets meant spending more time on administrative tasks than actual quality improvements.

> SOLUTION

In Q1 2016, the company piloted Ease, Inc.'s Beacon LPA web-based software at another facility to automate LPA scheduling, follow-up and reporting. The success of that pilot run led to a company-wide rollout of Beacon, which was implemented at this specific facility in late 2016.

The cloud-based platform was up and running in just four weeks, allowing the plant to:

- Schedule audits for the entire team in under ten minutes
- Send automated email reminders and escalations with links to electronic checklists
- Complete audits on mobile devices and sync results automatically
- Close out non-conformances or assign corrective actions on the spot
- Monitor real-time dashboards and generate instant reports on key performance indicators (KPIs)

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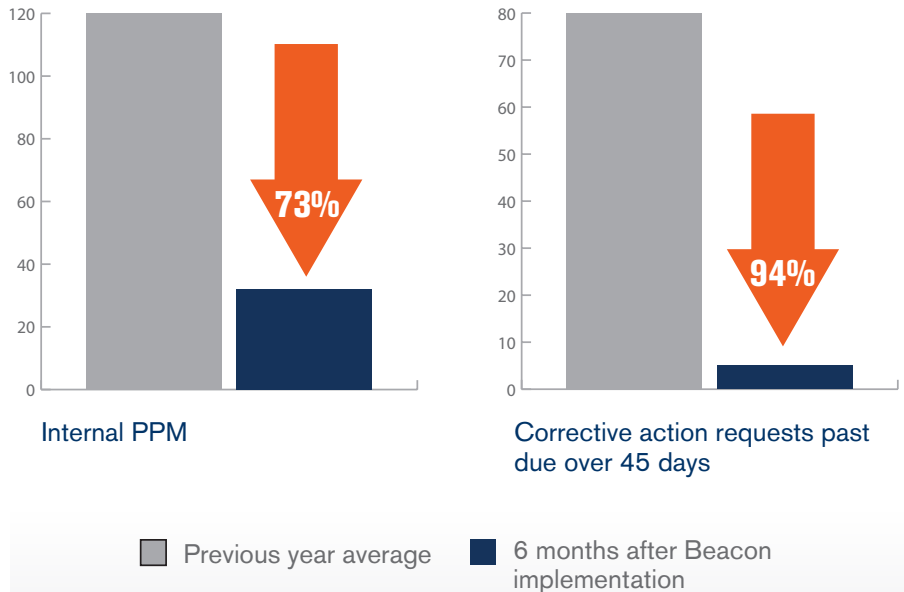## LAYERED QUALITY SOFTWARE

⟩ RESULTS

By increasing visibility into process standardization, the Beacon platform helped the customer achieve significant results in just six months, including:

- **73% reduction** in internal PPM
- **94% reduction** in corrective action requests past due ≥45 days
- **Lower quality costs** associated with decreasing scrap costs

The software was so effective that the division president heard about the results and now receives weekly KPI reports.

Beacon also helped strengthen the organization's quality culture by engaging employees with mobile tools, creating more accountability and enabling ongoing communication of results.

Reduction in PPM and ISCARs past due ≥45 days

Internal PPM

73%

Corrective action requests past due over 45 days

94%

☐ Previous year average   ■ 6 months after Beacon implementation

To learn more or request a free trial of Beacon visit
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