An Auto Parts Manufacturer's Road to Digital Transformation

An auto parts manufacturer, one of the largest independent auto parts suppliers in China, is accelerating its digital transformation as it continues to build a lean performance management system for its entire workforce.

Business challenges：

- Low efficiency in manual statistical analysis of metrics: various types of metrics are manually transcribed from various systems, exported, and then aggregated through Excel to produce various reports, which is very inefficient.

- Rely on human experience, and knowledge is not well inherited: rely a lot on human experience to calculate data with complex logic. After the old personnel are replaced, new personnel need to spend a long time learning.

- Poor metrics analysis accuracy: poor data timeliness and large data differences between calculations lead to poor data accuracy.

Digital Performance Management (DPM):

DPM connects all kinds of systems and has a standard common KPI calculation logic, forming a complete digital metrics system. It provides data support for subsequent improvement and tracking of metrics, and continuous improvement from multiple dimensions such as production efficiency, quality, cost, and delivery, and forms closed-loop management of metrics visualization, metrics analysis, and metrics tracking.

The solution includes the following functions:

1. **Bottleneck Analysis:** Automated bottleneck identification and tracking of customer gains, focusing continuous improvement efforts and time on the most impactful bottlenecks in the process.

2. **Strategy Sorting:** Compare the differences in man-hours incurred by each process, determine the optimal strategy based on cost vs. benefit analysis, and identify and prioritize the biggest losses.

3. **Root cause analysis:** Production fault diagnosis with analysis capabilities to identify root causes and give standard suggestions, continuous traceability of the root causes of faults, finding the main causes from root cause analysis, and fundamentally avoiding similar economic losses.

4. **Strategy Implementation:** Create continuous improvement initiatives related to production loss, provide a digital space for collaborative teamwork, and facilitate teamwork and continuous improvement plan tracking

5. **Strategy Evaluation:** Track the performance improvements achieved over time for each operation and production data, identify the value of the delivery associated with production data, and assess the ongoing impact of the strategy

improvements.

The integrated technology capability of the ROOTCLOUD Platform provides strong support for the development and operation of various types of industrial APPs, including DPM, with the lowest overall resource consumption, lowest integration threshold, and strongest scalability of Platform + Industrial APPs.

Achievements:

Promote the auto parts manufacturer, digital transformation

The digital performance control tower requires the support of ERP, MES, Data Mining, HR, and other business systems. Otherwise, the reporting of performance data can only be carried out in the form of manual transcription. Through the project research and sorting, customers gradually start to pay attention to the construction of relevant business systems, which promotes the willingness of the customer to carry out the digital transformation.

Further refine the KPI granularity for the grassroots staff and improve the reporting efficiency

Production data need to be entered manually by specific personnel at the end of the day, and each production line requires one man-hour per day to fill in and compute the data. DPM helps field personnel reduce data transcription, while production data can be displayed in real time for optimization.

Shorten the aggregation cycle of KPI

At the same time, DPM greatly shortens the aggregation and reporting cycle of company operation metrics by various business personnel at all levels, which used to take a week to prepare for reporting. Now, the system can complete all of it in 2~3 hours.

Provide management with a reliable decision-making tool

It provides reliable and timely operational performance data to the decision-making, management, and executive levels for all businesses, which can be used as a basis to make rational decisions, reduce operational costs and improve decision-making efficiency.

To check more cases showing how your company can carry out digital transformation, please visit en.rootcloud.com