

## Georgia Pacific OSB Plant Case Study

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The plant in Dudley N.C. was easily the worst performing plant in the Ga. Pacific OSB division. However, the Plant Manger, Wayne Bayles, was determined and dedicated to making it the best – and in the process of doing so, save it from being shuttered. Shortly before their launch, one of the other plant mangers cars had been turned upside down and burned – in the company parking lot. It was not a friendly relationship. The union environment was so hostile that when one union went on strike (the electrical) the others (the production or mechanical unions) would come to work to “stick it to them”. They didn’t even like each other. Within a year, Dudley became the highest performing plant in the division.

At the very beginning of our first meeting with Dudley, when asked what dominated their time, one manager said, ‘We fight fires.’ I responded, “Oh, like they do at your corporate headquarters in Atlanta?” He said, ‘No. We fight real fires!’ and he proceeded to take out a match and lite it on the bottom of his boot

We immediately charted out all downtime caused by fires and found it to be a totally predictable pattern. Then we proceeded to look at all other types of fire fighting that went on in the plant. When we mapped out the underlying structure that caused all fire fighting (the real ones and other problem solving situations) we discovered two critical leverage points that would put the plant into a totally balanced operational state.

Given this fire fighting had been going on for 12 years, they took a lot of pride in their way of keeping production going. To shift their behavior and implement their new strategy aligned around the leverage points required a great deal of change in their way of thinking. As one manager who was in charge of their design team said years later, it was a complete transformation. Everything in the plant, all the equipment, the unions and people were still there, but the way we saw it was totally different. We were different – that was the difference.

Because of the hostility between the unions and management each supervisor was trained to become a change agent and build trust. Then they met one on one with every member of workforce. It took three months to complete the “Trust-building” process. Teams were formed and the silos between the unions and various production operations dissolved. Production people were rotated through the electrical and mechanical “union shops” and all work was focused on improving processes. Each person kept score at each production control area and then posted it at the end of the shift in the training rooms (which they built in the middle of the plant). Teams kept score on how well they served their internal customers and worked with their suppliers to become more effective.

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Ultimately Dudley went from 40 supervisors to 5 and became the most efficient and productive plant in the division – even though the rest were totally modern and automated. They did it with no new investment despite this was an old converted plant. It was the people who did it. They got to the point of generating at least one idea per quarter per person to improve performance and cycle time and set up a system to implement them.