



# POWERS SPARKS \$30 MILLION TURNAROUND FOR ONE OF THE LARGEST INDEPENDENT POULTRY PRODUCERS IN THE WORLD

The POWERS team identified the true capabilities of the business, changed expectations and implemented a proactive, self-sustaining performance-based culture. The impact? A \$30 million turnaround resulting from significant cost control and productivity improvements.

#### **BACKGROUND**

This client is a family-owned, vertically integrated poultry producer in northeast Georgia. Founded more than 50 years ago, it has grown to become one of the largest independent poultry producers in the world, with over 4,500 employees.

The company sells a wide variety of antibiotic-free chicken products to retail and commercial establishments in the United States and 50 countries worldwide.

Despite being one of the world's largest independent poultry producers, our client needed to significantly upgrade frontline management skills and behaviors, as well as their processes and controls to improve operational performance and the bottom line.

## SITUATION ANALYSIS

Although successful for decades, the company had experienced successive years of financial losses. The business was managed on historical performance rather than actual capacity, which masked waste and lost time. In addition, staff levels were out of sync with requirements.

"Firefighting" consumed the attention of frontline managers, coupled with expectations that were far below their actual capabilities. To further hinder performance, management operating systems were absent or underutilized, so the company did not have the critical information necessary for decision-making, forecasting, execution, or evaluation.

### **PERFORMANCE RESULTS**

Massive Financial Turnaround \$30 MILLION Business Turnaround

\$3
MILLION
Annualized Parts
and Materials
Savings

Reduced Parts and Materials Costs

Reduced Processing Time and Labor







# **SITUATION ANALYSIS (CONTINUED)**

- · Staff levels were out of sync with requirements.
- Frontline managers' expectations far below actual capabilities.
- Business managed on historical performance rather than capacity, masking lost time.
- Transportation, logistics and warehouse inventory functions not coordination or acceptable.
- Unstructured procurement process with no measure of vendor performance and quality.
- Sales and operations planning founded on the misalignment of plant capacities and sales requirements.
- No management processes, discipline, or skills to implement a proactive, performance-based culture.

#### **OUR APPROACH**

- Determined the true capacities of the business so that it could be managed against that level.
- Determined the number of workers needed to support the volume of product handled, aligning labor costs and job requirements.
- Upgraded planning, scheduling, and coordinating processes across the organization.
- Worked with front-line supervisors to implement behaviors needed to execute the vision.
- Taught frontline supervisors how to identify and eliminate key operating problems.
- Eliminated ineffective processes leading to waste and lost time.

### **RESULTS**

- The POWERS team orchestrated a massive \$30 MILLION business turnaround for our client.
- By implementing a centralized ordering system, the client realized \$3 MILLION in annualized Parts & Materials savings.
- \$4-5 MILLION in savings at one plant alone from fewer workers processing more product in fewer hours