

Small Improvements Can Pay Huge Dividends

How you can save \$4000 or more per presser per year.

By Chad Boucher

If you are like most cleaners, you are experiencing a reduction in piece counts which can be a double edged sword if you are not careful. Not only do we have to deal with a reduction in revenue from the loss of pieces, but as piece counts go down we are more likely to have out of control labor costs. We have all experienced the day where the plant is full and we get everything done, then a few days later we have half as many pieces and it still takes about the same amount of time to finish. When the slow days were few and far between, they were often overlooked, but in today's economy where the slow days are more frequent, the prudent operator must be on top of production labor costs.

Inefficient production labor is caused by two things, wasted time and slow production. Knowing what to look for and how to combat inefficient labor may be the difference between being profitable and barely making it or even going out of business.

In this article I will focus on pressing labor, but many of the same principles can be used for other production labor costs like cleaning and spotting or inspection/assembly/bagging.

Wasted Time

Production workers can easily waste 40 minutes a day without even being noticed, which will cost you \$1733 per year, per presser at \$10 per hour. Here is how it can happen:

- **5 minutes:** A presser shows up for work, clocks in, puts away their coat, purse, etc., then starts pressing.
- **5 minutes:** The presser takes an extra 5 minutes on their 10 minute morning paid break.
- **5 minutes:** The presser clocks back in from lunch, talks to a few friends, then starts pressing.
- **5 minutes:** The presser stops a few times throughout the day to talk to co-workers.
- **5 minutes:** The presser takes an extra 5 minutes on their 10 minute afternoon paid break.
- **10 minutes:** The presser finds a stain then carries that single item back to the spotter 10 times throughout the day.
- **5 minutes:** The presser stops pressing, gets their coat or purse then clocks out.

Each of those activities may seem fairly mundane by themselves, but when added up account for nearly 10% of the work day. Hopefully you are not experiencing this waste in your plant, but take some time to observe these activities throughout the day for a few days to make sure it isn't.

If you are experiencing these problems, they need to be dealt with. The best way to handle them is to meet with your staff and explain that in today's economy we need to watch all expenses. Point out the problem areas, but don't publicly accuse anyone of infractions. Do give them a written policy on each of these problem areas. Let your staff know that you will be watching these areas and appropriate action will be taken if waste is observed. Give a verbal warning or two if you see continued abuse, and then do

a formal “write-up” of the infraction if necessary. Additional discipline may be needed if the policies are not followed. In cases of extreme abuse, you may even need to resort to termination to change the culture of waste to a culture of efficiency. Rules without consequences will not be followed.

Slow Production

Slow production can easily cost you thousands of dollars more than the wasted time. Before getting a handle on production, you first need to know how efficient (or inefficient) your pressing labor is. The quickest, yet least accurate way is to look at a few weeks of dry cleaning piece counts in your POS system, then look at your payroll records to find out how many dry cleaning pressing hours you had for the same period. Next divide the total DC pieces by the total DC pressing hours to come up with a piece per hour (PPH) rate (ex: 1000 pieces / 40 hours = 25 PPH).

Another method of PPH tracking is colored bread clips attached to the neck of the hanger by the presser then removed by the inspector and counted. Create a daily log book or spreadsheet where you enter each day’s pieces by presser, that day’s hours, then calculate a PPH rate. Don Desrosiers of Tailwind Systems sells a system called the “Production Maxi-Miser” that comes with the colored clips, counting dowels to place the clips on for counting and Excel spread sheets for tracking productivity.

For the ultimate in PPH tracking and presser accountability I have developed a system called the PieceCounter that utilizes sensors and an LCD touch screen at each pressing station that allows pressers to log in and select one of up to 8 jobs, each with its own PPH goal. The system gives continuous feedback to pressers so they can adjust their pressing rates in real-time to meet company goals. The system also logs presser data making real-time production reports available via the internet.

Once you have established what your current PPH rate you need to look at your product mix and pricing/quality level and determine what it should be. Though PPH goals will vary from plant to plant because of different product mixes and equipment configurations, I have found some pretty universal standards for the medium priced cleaner. A cleaner with decent equipment and training, a consistent mix of wools and silks/rayons and cotton pants should be able to achieve 25 PPH for non-pant clothing items and 30 PPH for pants. Experienced and well trained pressers in the same plant with the same product mix could achieve upwards of 30 PPH for non-pant clothing items and 36 PPH for pants.

It has been my experience that if a plant is not tracking PPH at all, they are probably between 15 and 19 PPH. If that is your PPH rate, you have the potential to save thousands of dollars in labor. For example, for every 1000 pieces you produce with a \$9.50 hourly wage and 15% cost for payroll taxes and worker’s compensation, if you increase 3 pieces per hour from 19 PPH to 22 PPH (which is still well below achievable numbers), you will save over \$4,000 in labor costs. Again, that is a \$4000 savings per 1000 pieces produced per week, 3000 pieces and you save \$12,000 per year. That doesn’t count the additional savings if you reduce overtime as well as shutting the boiler off earlier and the inspection/assembly/bagging department finishing earlier. You can calculate your own savings scenarios from performance increase by using the savings calculator at www.wesvic.com.

Closing the Gap

Now you know where you are and where you should be, but how do you get there? First, you need to determine the cause for low PPH. Slow production will stem from one or more of four areas: 1) equipment problems, 2) lack of skills/training, 3) lack of ability, 4) lack of desire/accountability.

Equipment problems should be fairly easy to assess. Simply asking the presser how their equipment is functioning will usually reveal any problems.

Lack of skill and training is often the cause of inefficiency. If a presser does not know the proper techniques, how can you expect them to work efficiently? If you don't know how to press, or how to press for productivity, bring in a trainer. There are a number of great trainers in the industry that can help you out. Any fee they charge will be recouped very quickly through improved performance and quality. Be sure you learn from the trainer while they are training the presser.

Lack of ability is when a presser has properly maintained equipment, has been adequately trained, but simply cannot perform at the productivity and/or quality levels required. Some people are simply not cut out to be a presser. Keeping a presser who cannot meet productivity goals, no matter the quality, will cost you thousands of dollars in wasted labor costs.

Lack of desire/accountability is when a presser can perform at desired productivity levels, but for some reason does not consistently meet goals. Usually they do not meet goals because they are not being held accountable for their numbers. You can do this by giving them regular feedback on how they are performing and how they should be performing. This is where some sort of counting system, whether it is a log book, spreadsheet or the PieceCounter is required to maintain consistent efficiency.

When I talk to cleaners about these issues a common and valid concern is losing a good presser because of reduced hours. If you have good pressers that you don't want to lose, let them know that you need to get more efficient, but you will do everything you can to preserve their hours if they meet PPH goals. Let them know that they may have to take on other responsibilities like bagging or marking in, but at least they will keep all or most of their hours. You will have to cut the hours of someone "lower on the totem pole," but at least you will be able to keep your pressers.

Inefficient pressers can easily cost you \$3000-\$4000 or more per year per presser if you are not on top of productivity. It will take some work to get up to standards, but the payback can be huge.

Chad Boucher is a second generation dry cleaner and owns Carr's Cleaners (www.carrscleaners.com) in Turlock, CA. He is also co-founder of Wesvic Systems (www.wesvic.com) which developed and sells the PieceCounter. He can be reached at (209) 648-5811 to answer questions regarding productivity.