

Productivity Improvement Through Lean Techniques – Property and Facilities Management – Case Study

Objective of The Study

The objective of this productivity improvement study through lean Techniques is to improve the effectiveness of the Property Maintenance Function of an Infrastructure company with the view to control the operation cost of the PFM function.

The specific objective of the study are listed below:

- Increase Labor Productivity
- Increase Material Productivity
- Decrease overall cost per square feet

Summary of Recommendations

Category	Recommendations	Current	Proposed	Savings- No	Savings Value- INR per month	Methodology Technique
Man power	Optimize O&M Manpower	31+85 (Sup+op)	25+72	6+13	1,76,000	NVA Analysis
	Optimize Manpower In Security	20+124	14+92	6+32	3,28,000	NVA Analysis
	Optimize Manpower In House Keeping					Organization Chart
	Optimize Indirect Manpower and Span of Control - T1 service Provider	22	14	8	3,20,000	Duplication of Processes / Span of Control
Material	Diesel- The diesel consumption to be monitored closely to avoid diesel loss					Material Accounting and analysis of Variance
	Average Monthly diesel loss seems to be around 5000L per month. Control this by monitoring flow , negotiation with oil company	5000 L Month	2500 L	2500	1,30,000	Monitoring flow , negotiation with oil company
	Water	8000- 9000KL/ month	7000KL	2000	1,74,000	Water Balance
	Major Consumables	10-15 L		10%	100,000	Stadrd Material Consumption Material Accounting
Systems	O&M process to be upgraded to TPM and condition monitoring level	System Maturity at level 2*	System Maturity to be at 4 level			Analysis of Sytem Maturity TPM

	Effective negotiation for end-to-end AMC by OEM suppliers linked to service delivery					
Total**					12,28,000	

(* Level 1- No system, L2: Documented System, L3: Efficiency tracked, L4: Effectiveness Tracked, L5:Optimum System)

Methodology

The methodology used for the study is explained in the following diagram:

