

# Performance Indicators & Visual Displays – Wine Industry

Measure and manage grape intake via visuality

**McWilliam's Wines Hanwood – Grape Intake**  
**Oscar Roche, March 2013**

## **Brief**

*Focussing on operational factors that are critical, and making them “easy to see” can so often bring about substantial process improvement. Through ease of visibility, supported by middle management routine, attention is focussed on the “right things”.*

*Middle managers will understand through this case study firstly the importance of clearly identifying exactly what to look for in terms of “factory floor” performance indicators, and then the value of regular and routine monitoring via visuality at the coalface.*

*The grape intake process had historically been managed by a single person. The application and practice of applicable “Visual Workplace” principles by those who worked on the process brought about transparency. Transparency led to an increase in the “right decision now based on right information”.*

*The key finding was perhaps the fact that increasing the visuality of the intake process did not lead to all problems being solved during the 2013 vintage. But it did make the problems much more obvious such that they could then be prioritised based on impact and resources.*

*The use of the systems did meet with resistance in some areas of the intake operation. This usually occurs. The resistance was worked through to varying degrees.*

Source for information: *[McWilliam's Wines, Hanwood NSW, Wine Industry. Andrew McLean (Intake Manager at the time).]*

## INTRODUCTION

Historically the intake process and pressing operation at McWilliam's Hanwood Winery had:

- Been difficult to measure as performance standards were not widely agreed upon and clear.
- Been difficult to manage as there was low transparency in key parts of the operation – weighbridge, crusher and presses.
- Suffered reduction in productivity and potential for quality downgrades due to some “not fully informed” decisions being made.

The potential for quality downgrades of suboptimal grapes was the highest concern as such downgrades pose the most risk of cost to the business through loss of value.

A number of factors lead to an opportunity to address all the above issues during the 2013 grape intake via an ongoing improvement exercise of which “Performance Indicators & Visual Displays” was part.

## CONTENT

In December 2012 executive management changed the structure of intake management and established new and clearer accountability and responsibility at senior management level.

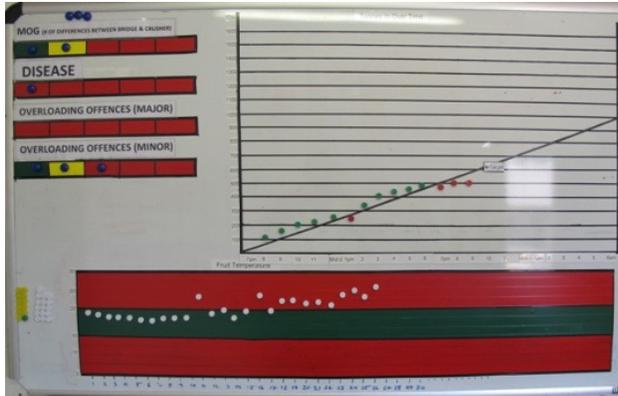
Visual Workplace Australasia ran 2 workshops in early January 2013 with a focus on crush and press area, weighbridge as “observers”:

- Introduction To Value and Performance Indicators:
  - Output – clear and agreed “measureables” relevant to weighbridge, crusher and press operation.
  - Outcomes – greater awareness of the flow of value through that part of the value stream; different departmental staff (cellar, maintenance, winemakers) all on the same page.
- Visual Management via Displays:
  - Output – Plan for a visual display for 2 operational areas – crusher and presses.
  - Outcomes – greater awareness of the “Need To Knows” and “Need To Shares” of the staff, middle and senior managers.

Measures agreed to in the overall improvement exercise included:

- Degree of “chaos” relative to previous years.
- Productivity.
- Quality (downgrade post pre-harvest assessment).
- Degree to which same questions (invisible Need To Knows / Need To Shares) were being asked.

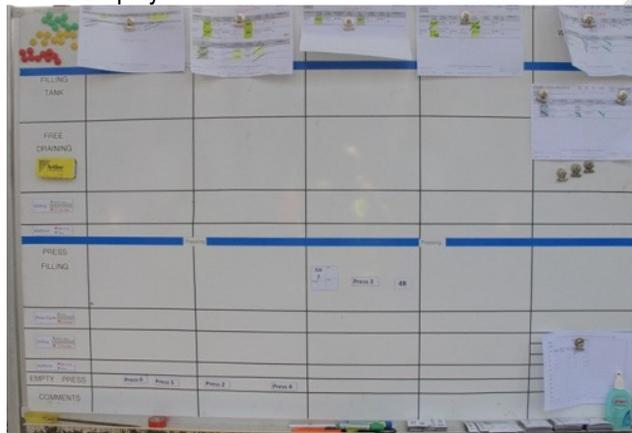
Following the 2 workshops in January 2013 the operators and maintenance staff, with support from Visual Workplace Australasia, quickly set up the visual displays shown at the top of page 3. (The weighbridge staff set up theirs unaided.)



Weighbridge Visual Display



Crusher Visual Display



Presses Visual Display

Use of the system commenced with grape intake. The following was noted during intake:

- Greater visibility brought a lot of issues to the surface (previously hidden). The immediate result was some increase in “management stress”. Where possible and practical, immediate process improvements were made. Where not, opportunities for 2014 and beyond were captured in an improvement matrix.
- Improvements in “process visibility” lead to more informed day to day decisions, in turn leading to less “chaos”.
- Higher daily tonnages were managed with less equipment and people “wear and tear”.
- Stakeholders across all departments reported less time “finding out” process status of each area.
- Winemakers reported spending less time asking repeat questions relating to pressing.
- Winemakers reported making more informed decisions at pressing which lead to improved quality.
- “Controlled problem solving” was not well adopted. The foundations were laid for improvement of this in 2014.
- Value gained from the visual displays was directly proportional to middle managements adherence to their Leader Standard Work.

## CONCLUSION

Identification of operational performance measures within the value stream and increased visibility of these measures enabled the “right question to be asked at the right time by the right person”.

Visibility of the performance measures and key “Need To Knows” and “Need To Shares” permitted increased management efficiency via less repeat questions and more better informed decisions.