

MOLLOY'S BAKERY & HONEST BAKERY



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OVERVIEW & BACKGROUND TO THE LEAN INITIATIVE

Molloy's has a long and proud tradition in Roscommon town, and have been baking with pride since 1922. We are currently in our fourth generation, and, with 90 years of experience behind us we have learned how to delivery top quality bread and confectionary for every occasion. Our custom-built bakery was completed in 1998 on the outskirts of Roscommon town. From there we supply both our wholesale business and our own retail/coffee shop. Molloy's has come a long way from its humble beginnings 97 years ago. Back then we had three bakers producing only a white batch loaf, and over the years we have developed a much wider range of products with over 150 lines now in production. We also now have 40 people working for the company between our bakery floor and shop. Four nationalities make up our team, all working in unison.

Originally based in Downpatrick, Northern Ireland, Honest established a reputation for its delicious gluten-free mini cakes. At the same time, Molloy's Artisan Bakery in Abbeystown, Roscommon, was looking to enter the gluten-free market. In 2011, it took the plunge and took over the Honest Bakery and moved it lock, stock and barrel to a new and completely dedicated bakery in Roscommon. Declan and Mary T. Molloy continue to run the traditional artisan bakery and delicatessen, and their children Mark and Jackie-Ann have taken over the running of Honest. Despite commercial scale today, everything is hand-made in small batches using only the finest quality ingredients. Building on the success of its mini-cakes, Honest has expanded its product range to now include gluten-free biscuits, cantucci, fresh bread, tarts, granola, and rocky road.

Roscommon LEO approached us to see if we would be interested in undertaking the Lean for Micro Programme to examine and improve efficiencies in our bakeries. The fact that the LEO was funding the project made it a no-brainer as we had nothing to lose. Molloy's Bakery produces over 150 different lines with very little mechanisation, and Honest Bakery is a relatively new company with a limited range of products with higher volumes of individual products. We had a good context to look at improvements, and we met with Paula McNicholas of Lean Team Strategies and decided to go ahead with the project.



COMPANY OVERVIEW

Molloy's Artisan Bakery is a family-run business operating in Roscommon town since 1922. Now in our fourth generation, we at Molloy's pride ourselves in producing top quality bread and cakes to the domestic market.

Honest Bakery is the sister bakery to Molloy's, and is also run by our family. It makes award-winning gluten-free baked goods in Roscommon. All products from biscuits to cakes are made in our dedicated gluten-free facility that has been certified a BRC AA site. Honest serves the domestic, European, and UK markets.

www.molloysbakery.ie
www.honestbakery.ie

MOLLOY'S BAKERY & HONEST BAKERY

LEAN INITIATIVE UNDERTAKEN – LEAN THINKING, TOOLS, TECHNIQUES

The objective of the Lean Programme was to identify the waste and improve productivity in each of the bakeries.

Following the LEO Lean workshop, Paula came to each of the bakeries to explain the process and we looked at areas where we felt improvements could be made. Packaging was the main area identified for both companies. As the same process was carried out every day and there were no obvious issues with the results, it was hard to think there was a better way to complete the task.

In Molloy's, a variety of baked products were put through the wrapping machine daily. The speed of the machine was turned up to get the wrapping done as quickly as possible. This resulted in a backlog at the end of the line and consequently the products were handled several times as each process step was batched. Paula noticed this and explained the Lean concept of one-piece-flow and suggested we try it. The first and most important thing was slowing down the wrapping machine. The initial reaction from the staff was that this won't/can't work – "We will be here all day". We set up the system as suggested, ran the wrapping machine slower, put an extra person on the line so the products could be packed straight into the delivery crates, which saved approximately one hour straightaway. Paula explained that we were batching too many times during the dispatch process and this meant we were handling the products too many times. It was a very effective change, and our main packing/dispatch person said he would not go back to the way he was wrapping in the past.

We also got benefits in our cake decorating/finishing department. We were batching in this area too, similar to the problems in the wrapping/dispatch area. Too much handling of products and taking up too much space. At first, like the dispatch area, the staff could not see that changing the system would improve efficiencies or make their life easier until they understood the concept and could experience it for themselves. We now have a mini-production line of sorts, just without the typical conveyer belts. The staff are working better together as a team, now that they understand the Lean concepts and have experienced how much quicker the process can be. Explaining the process and the reasoning behind the changes to staff was paramount in bringing about the changes plus the change in attitude to challenge the 'way things were always done'.



Figure 1.

In Honest Bakery it was a very similar process. We were running the wrapping machine too fast and again had a backlog at the end of the line. It was a matter of slowing down the wrapping machine, having a person packing, a person labelling, and putting a person at the end of the line boxing the products as they came off the line. It is important to have everything set up and in place before you start the process. Before Lean, 2-3 people would carry out a process step at a time, creating huge piles before moving on to the next process step. There was some re-training involved in getting the team to understand the changes to the process.

The main difference between the two bakeries is the size of the production runs. Molloy's has a big range of products with smaller volume, while Honest has the very opposite with a smaller range with bigger volumes. Honest ended up saving many hours per week on packing and this meant staff could be more productive in other areas.



LEAN INITIATIVE IMPROVEMENTS & IMPACT

Molloy's Bakery

After implementing one-piece-flow in Molloy's dispatch process, it can now be completed in less than a third of the time. There is less handling and it is a lot easier and is done in a much calmer atmosphere.

In the bakery itself we are using one-piece-flow for the iced bricks which can now be produced with 1 less person and in half the time. Numerous other processes have followed suit with productivity improvements, including for example our tarts and mixes.

In the confectionery department, for 10 different types of cakes we implemented Lean processes with productivity improvements ranging from 20-100%. There were space savings as a lot less space was required, and there was less stress for the people and better teamwork resulted ensued.

Overall for Molloy's Bakery, the savings were in the region of €60,000 with many processes enjoying greater than 100% productivity improvements.

Honest Bakery

In Honest Bakery the focus was on the high-volume products. For the high-volume biscuit, the reduction in production time of each pallet went from 26 man hours to 17 man hours. The staff were utilised more efficiently. Further reduction in labour cost came by changing packaging to a printed box and eliminating the need for labelling. The savings in labour costs per pallet were significant. With the recent addition of a new depositor too, the output has now doubled. The production of tarts reduced from 3 hours for 2 people to 1.5 hours for 3 people, saving 1.5 hours each time.

We implemented batch to one-piece-flow on every process where possible, bringing significant savings in time overall producing the likes of Rocky Road, 2-pack biscuits, granola, and tray bakes. The bakery team implemented Lean techniques when developing the process for a brand new product, the Caramel Tray Bake, with great results.

The improvements in productivity, creation of capacity, and subsequent growth in sales increased profit by €48,000.

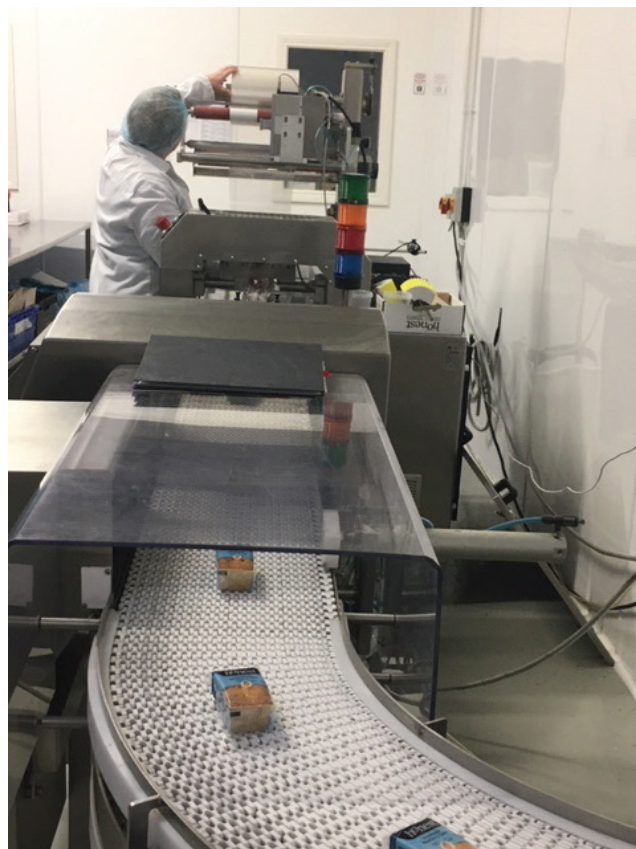


Figure 2.

“As a result of having Paula assist Molloy's and Honest bakeries with some Lean processes, we have noticed big changes in our production flow. We are now more streamlined, more efficient, and definitely more cost effective. Lean within the business is something that has to be monitored on an ongoing basis to get the best results.”



LEAN TEAM STRATEGIES

Lean Service Provider

Lean Team Strategies

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