

# DORVAL

## MANAGEMENT ASSOCIATES

256 Howard Ave., Hope, RI, 02831 (401) 439-0129 [www.DorvalManagement.com](http://www.DorvalManagement.com)

### Focus of Business

- Manufacturer of custom plastic products
- \$5,200,000 in Annual Revenue
- In Business 34 years (Second Generation)

### Business Problems (Before DMA)

The Owner was too attached to the day-to-day operations and did not have the time or confidence to leave the factory in pursuit of sales. The factory was lagging industry standards in productivity.

### Owner Too Attached to Day-to-Day Operations Solution:

A functional organization chart was developed and the new position of Director of Operations was created. DMA developed a new job description for the position and was instrumental in assisting the client with locating a very suitable candidate.

### Factory Productivity Solution:

DMA developed spreadsheets for tracking productivity by operation and developed a well-defined goal-oriented incentive plan.

### Result

Within a three-month period, the Owner had confidence in the new Director of Operations to handle the day-to-day operations allowing him to concentrate on growing the business. Within the first year, sales were increased by 5%.

The new Director of Operations had years of experience and quickly changed many of the manufacturing processes. He utilized the tracking reports developed by DMA and set new production rates which were inputted into the new incentive plan. The incentive plan was a success with the employees and weeded out 6 marginal workers.

With the increase in revenue, changes in the manufacturing process, the increase in productivity and the reduction of 6 workers, gross margin increased 3.7%. This effectively increased gross profit by \$202,566 which included the cost associated with the new Director.