



What Iter did for Hollister

● Introduction

Hollister is a market leading manufacturer of Ostomy and Continence Care products with manufacturing sites in Europe, North America and Asia. The business has enjoyed consistent growth and become a size and complexity where global standard ways of working based on lean best practice are essential.

● The Challenge

The current operations have evolved at each plant over many years and Hollister saw the need to install global systems using external benchmarks. There was a strong focus on operational performance including levels of efficiency, flexibility and service required in an increasingly competitive marketplace.

Hollister was founded by John Dickinson Schneider almost 100 years ago. His legacy is an employee-owned business and a set of immutable principles that have created an engaged and open culture. This creates an excellent platform for change, but also has allowed localised practices to evolve.

The Hollister Production System (HPS) was developed to deliver a standardised way of working that performs at world class levels in a way that reinforces the Schneiders' legacy.

● Our Approach

Iter Consulting was asked to lead the development of HPS for all manufacturing sites and distribution centres. Having established a joint project team, the first task was to establish a single, objective understanding of the strengths and limitations of the current operating approach.

Using Iter's structured Production System Design approach, each plant's operations were audited thoroughly by the Iter team.



Iter were selected because of their understanding of best practice, their structured approach but most importantly their depth and breadth of operational experience that would ensure that HPS would reflect best practice, but be pragmatic and sustainable.

Martin Murphy, Senior Director, Global Strategic Initiatives, Hollister Incorporated.

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● Findings

Our audit identified areas of good practice along with a set of common barriers to improvement. The financial and operational implications of these were quantified using external benchmarks with leading medical device and automotive manufacturers.

A set of draft principles and an operating approach was then created for HPS, along with estimates of financial, operational and cultural benefits. Through a series of workshops these were then reviewed, challenged and finalised. The Global Operations Senior Leadership Team agreed HPS as the operating model for all manufacturing and distribution sites as a core part of the Operations Strategy of Hollister.

● Implementation

Iter have supported the development of the global standards and wider management and communication of the programme within Hollister.

After a successful launch in February 2019, the first foundational modules were adopted in all sites with Iter supporting early implementation whilst the full-time internal team was put in place. After this was established Iter completed a full independent assessment of all sites and provided best practice guidance to the next stage of development and adoption before formally disengaging.

● Results

Iter's support in the creation and adoption of HPS is delivering global standard ways of working that:

- Compare very well with external benchmark levels of efficiency, flexibility and service from all plants
- Enable the delivery of significant improvements in operating costs and working capital
- Empower and provide the skill and environment for all Associates to make a real difference
- Support the creation of a stronger position in an increasingly competitive and price sensitive market

“ Iter developed HPS principles and an Operating Model that are being adopted as the core of our Global Ops Strategy. Their ability to move from developing strategy to supporting implementation has been invaluable in establishing the rigour and momentum to ensure that the transformation delivers a best practice operation that is pragmatic and sustained.

Martin Murphy, Senior Director, Global Strategic Initiatives, Hollister Incorporated.