

Artigraf is a Mexican company with over 28 years of experience **manufacturing corrugated cardboard packaging**. Having the value chain integrated from end to end within its operations, from generating raw materials in the paper mill all the way to the recycling plant, provides it with a key differentiator in the industry. Since its founding, it has been characterized by the quality of its service through a focus on continuous improvement, innovation, and customer satisfaction.

As part of our strategic plan, we launched the **Innova project** in collaboration with **London Consulting Group**. The project focused on transforming **our work model**, prioritizing efficiency, operational excellence, and profitability. Our company has experienced a significant increase in its **Organizational Maturity**, progressing from **40%** at the Initial level to **70%**. This qualitative leap has positioned **Artigraf** as a process-oriented organization driven by metrics.

This transformation is the result of our commitment to **innovation and digitalization**, built upon the pillars of **Lean 4.0**: Customer Experience, Operational Excellence, Digital Transformation, Agile Methodologies, and a new Organizational Mindset

1. CUSTOMER EXPERIENCE (Value Proposition)

- We improved operational efficiency and control over our processes, enabling us to speed up decision-making and **meet** our customers' **delivery deadlines**.

2. OPERATIONAL EXCELLENCE

- We transformed our work models, synchronizing the commercial and operational processes, raising the objectives, redefining our organizational structures, and redesigning our **processes and indicators**.
- We implemented an **operational discipline** model that standardizes daily supervisory routines, prioritizing safety, productivity, and **Lean Manufacturing** practices.
- We implemented the **TPM Pillars**, strengthening preventive maintenance routines, incorporating predictive maintenance, critical refurbishments, and training requirements. This ensured the equipment's **operational continuity**.
- We implement a **results-oriented culture**, raising operational and commercial standards, with a focus on continuous improvement and the achievement of shared objectives.

3. DIGITAL TRANSFORMATION

- We boosted **digital transformation** by adopting the **Lean 4.0** methodology and integrating real-time data management throughout the production processes with tools such as **Power BI, Dr. Corr, and Monday**.
- We developed an **Intelligent Decision** model based on **Power BI** that facilitates analysis and decision-making on key business indicators.

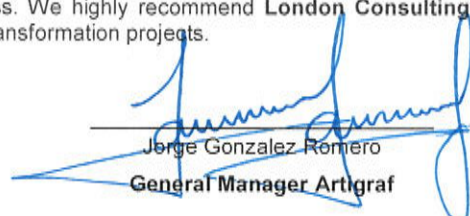
4. GROWTH MANAGEMENT:

- We redefined the **organizational structure** and **job profiles**, aligning key competencies and strengthening the structure to ensure the group's sustainable growth.
- We developed an **Agile Leadership program** to strengthen leadership and innovation in our personnel.
- We guided the project through the development of a **change management strategy** based on the **ADKAR** model.

Some of the **results obtained** during the project were:

- **23.5% increase** in the production plant's **OEE** (*Overall Equipment Effectiveness*)
- **29% increase** in production plant's **availability**.
- **115% improvement** in the **Level of Customer Service**.
- **50% reduction** in **operational waste**.
- **25% increase** in **Inventory Reliability**.

The use of **agile methodologies** to **design the solutions** and the synergy between the Artigraf and London Consulting Group teams were key factors in the project's success. We highly recommend **London Consulting Group** as a valuable strategic partner when developing business improvement and transformation projects.



Jorge Gonzalez Romero
General Manager Artigraf



Nuevo Leon, September 2024

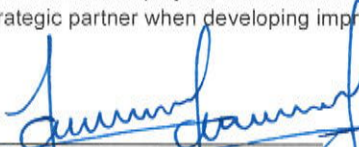
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As a fundamental pillar of our growth plan, we worked with London Consulting Group to develop the Innova project, which focused on transforming Artigraf's operational and commercial models. This change involved a complete evolution in our personnel's identity and mentality, moving from an operational mentality that worked in silos to an integrated structure that seeks out efficiencies and profitability. This transition required comprehensive change management and talent development strategies.

The comprehensive strategy was implemented in the following manner:

- **Change Management:** We designed and implemented a change management strategy based on the ADKAR model. This strategy involved conceptualizing the changes and required strategies to reduce resistance and involve the manager and supervisors, who were vital in implementing the new processes.
- **Project Identity and Communication:** A project identity was developed, along with a robust communication strategy to accompany this new identity. Newsletters were designed and implemented as part of the communication strategy in order to publish the project's progress and highlights.
- **Culture of Recognition:** Personnel productivity was incentivized through productivity competitions. We recognized and celebrated the collective achievements of the different crews to generate engagement and a sense of belonging.
- **Training in Agile Methodologies:** All the upper and middle managers received training in agile methodologies (Design Thinking/Design Sprint), and a new culture based on innovation was established through the first Innovation Hub.
- **Leadership Accelerators Program:** We successfully implemented the Leadership Accelerators program, which impacted Artigraf's entire middle management structure through 8 leadership development sessions. These sessions lasted 16 hours and received a general acceptance rate of 98% by the participants.
- **Individual Development Plan (IDP):** The Innova team implemented the "Individual Development Plan" methodology through 14 sessions, training leaders to continue with this process on an ongoing basis through Artigraf's talent management strategy.
- **Innovation Projects:** The Leadership Accelerator program teams defined 5 innovation projects, using methodologies and tools such as Design Thinking, PAFEF, SMART, Monday, Power BI, and Miro to solve problems. Furthermore, 12 follow-up sessions were implemented with the teams as they developed their projects.

The Growth Management Program, in conjunction with the Innova project, has successfully facilitated change within our personnel. We highly recommend London Consulting Group as a strategic partner when developing improvement projects and managing organizational changes.



Jorge Gonzalez Romero
General Manager Artigraf