



USG Corporation

The Situation

As a manufacturer of wall, ceiling, flooring, roofing and sheathing products for residential and commercial buildings, USG was significantly impacted by the dramatic drop in housing starts beginning in 2008. Company leaders had to make very difficult decisions about where to invest, knowing that innovation and efficiency would drive business forward. The recession became the 'Burning Platform' for change.

The management team wanted to develop the capabilities of their staff to respond to business cycles, and to expand on an existing culture of continuous improvement. They chose Lean Six Sigma as the methodology to help them accomplish those objectives and to improve profitability throughout the cycle.

United States Gypsum Company Senior Vice President Chris Lawson spearheaded an effort to launch a formal LSS program at USG. The initial wave trained 26 current employees as LSS Black Belts with a mission to eliminate waste in USG's manufacturing operations.

This core group was able to quickly show the benefits of the LSS program, and USG made the strategic decision to expand the LSS program.

The Solution

USG turned to TMAC at the University of Texas at Arlington when it officially established its Corporate Excellence Program in 2010. Current Black Belts attended TMAC's LSS Master Black Belt course and returned to USG to train new and upcoming Green Belts. The MBBs also provided project coaching for GBs and BBs, promoting greater consistency among projects, shortened project timelines and increased chances for success.

In 2013, USG launched a LSS program focused on its corporate functions, inviting TMAC to teach a Design for Lean Six Sigma class at its headquarters in Chicago.

To date, almost 60 USG employees have attended Black Belt training at TMAC, with 21 selected for further development in TMAC's Master Black Belt program.

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The Results

The Corporate Excellence Program at USG has generated impressive results including:

- Over \$250 million in hard savings
- Over 250% internal return on investment
- Over 1,000 projects completed
- 40% Reduction in Project Cycle Time since first wave of Green Belts
- Over 5,000 employees trained in continuous improvement
- Over 375 belts (GB/BB/MBB) trained
- Rigorous Project Selection Program
- Median time to promotion: 18 months (GB) & 24 months (BB)
- Regular Leadership Updates & Dashboards

About the Company:

USG Corporation is an industry-leading manufacturer of building products and innovative solutions, serving construction markets around the world. USG employs around 6,600 people in North America at 52 manufacturing facilities, a Corporate Innovation Center in Libertyville, Illinois, and its headquarters in Chicago. For more than 115 years, USG has been known for its market-changing products, including Sheetrock® brand wallboard and holds more than 2,000 active U.S. and international patents.

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