

TK Elevator Sees 97% Issue Closure Rate, Saves \$20.2 Million with Benchmark's Quality AI Advisor

The Challenge

As a leading global elevator and escalator company, TK Elevator faces the constant challenge of managing quality concerns and operational risks across its vast network of field technicians and manufacturing facilities.

Prior to implementing Benchmark's solutions, TK Elevator's quality management processes were heavily manual and inefficient, leading to lengthy issue resolution times and significant financial impacts.

“ People working in the field would find a problem, would have to remember that problem when they got back to their hotels, pray their internet was working, find which of the seven Excel spreadsheets they were given that had 85 line items to fill out, remember who to email it to, who emails it to someone else, who a week later would sit around in a committee with people who weren't out there with the issue and decide whether or not that was a problem,” explained Michael Melnyk, Head of Quality – North America for TK Elevator.

This cumbersome, paper-based process resulted in a quality issue closure rate in the 40th percentile and an average 120-day cycle time for fixing issues at TK Elevator's factory.



The Solution

To address these challenges, TK Elevator turned to Benchmark's growing suite of AI Advisor solutions, including the Quality AI Advisor module. This innovative technology enabled TK Elevator to automate its quality concern reporting processes, empowering field technicians to quickly and easily capture and report issues.

“ We took that capability and put it right in the hands of the people in the field with mobile capability. It now takes 90 seconds for them to capture an incident in the field,” Melnyk said.

How It Works

The Quality AI Advisor utilizes machine learning, specifically, a proprietary standard classification algorithm, to match error codes reported by employees, for concerns such as elevator part malfunctions, to appropriate service recommendations — greatly accelerating the reporting, communication, and resolution of quality concerns and issues.



The Results

The implementation of Benchmark's Quality AI Advisor has been transformative for TK Elevator's quality management efforts. Within just one year, the company's factory achieved a remarkable 97% closure rate for quality issues, with the average cycle time reduced to just 20 days.

These operational improvements have translated into significant financial savings for TK Elevator. The company reported a \$1.1 million reduction in Cost of Poor Quality (COPQ) and a staggering \$20.2 million saved as a result of an issue identified in the field that led to an engineering design change.

"If you address these issues in a timely fashion, there is a real, tangible dollar savings associated with it," Melnyk explained.

The Future

TK Elevator's success with Benchmark's Quality AI Advisor has inspired the company to explore further opportunities to leverage the Benchmark platform. By automating and streamlining its operational processes, TK Elevator aims to continue driving efficiency, performance, and financial savings across its global operations.

"When we talk about how we're leveraging the different capability and modules within Benchmark, it's where in that process do we catch the issues and, more importantly, what are we doing about them?" Melnyk said.

As TK Elevator continues to partner with Benchmark, the company is poised to unlock new levels of operational excellence and maintain its position as a leader in the global elevator and escalator industry.

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