



CASE STUDY

Managed Labor Goes “Above and Beyond” for Tier 1 Auto Parts Manufacturer

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Finding a reliable and consistent source of labor is an ongoing challenge for manufacturers, with [studies](#) reporting turnover rates that often exceed 20% for in-house labor and 400% with temporary workers.

As one Chicago-area tier one automotive industry supplier can attest, filling the workforce gaps in a busy manufacturing environment can be difficult, disruptive and expensive.

With the help of [LACOSTA Facility Support Services](#) however, the manufacturer has found a managed labor solution that saves them \$150,000 per year by not having to add three full-time shift managers, while adding a worry-free layer of support for a wide variety of jobs.

LACOSTA, a minority and woman-owned, Chicago-area provider of managed labor services, including facility support, janitorial services, warehouse operations, material handling and more, provides a model of

managed labor that is as cost-effective as it is strategic.

When the automotive supplier began working with LACOSTA in the late 1990s, it needed a reliable source of labor for a variety of jobs ranging from janitorial services to manufacturing support and inventory control.

Five years later, the company has come to rely on LACOSTA for “above and beyond” service that saves time and money. “The (LACOSTA) team here—those guys are super flexible and ultra-accommodating,” says LACOSTA’s main point of contact. “In my opinion, they go above and beyond. It’s a nice, low-cost labor solution for a lot of different jobs.”

Among the other advantages of working with LACOSTA, low costs, a customer-focused onsite LACOSTA manager, and the “can-do” attitude of the staff are all cited.

With the help of LACOSTA Facility Support Services, a manufacturer has found a managed labor solution that saves them \$150,000 per year.

Seamlessly Reliable Service

"I don't have to spend a whole lot of time," the LACOSTA point of contact said. "If I have some new task that requires something special, they will take it upon themselves to figure out how to do it. If they need special training, they get it from their own organization. They're really self-sufficient."

Onsite LACOSTA managers work directly with the manufacturer to determine KPIs, identify pain-points, and troubleshoot any issues that arise. In fact, the LACOSTA team's processes are so buttoned down that when a key LACOSTA supervisor went out on medical leave for a couple of months, the service delivery was seamless. "The organization and his team didn't skip a beat, which speaks a lot of the organization," the LACOSTA point of contact said.

"It really comes down to their service," he added. "Their quality of work is good, and (their attitude is) 'Whatever you need, we can make that happen.'"

The Reliable Cost-Effective Labor Solution

Unlike temp agencies, LACOSTA focuses on ending staffing shortages and supplying companies with fully trained talent, rather than focusing on "fill times and rates." The average customer has been with LACOSTA for over 14 years—a nod to the caliber of service, and care the employees demonstrate.

Among the services LACOSTA provides to this automotive supply manufacturer are:

- Janitorial services
- Specialty painting and floor coating
- Stores inventory, receiving and management (parts crib)
- Manufacturing support
- Wastewater plant testing
- Routine burn-off every 12 hours
- Filter changing

The LACOSTA crew provides other services as needed.

"If I need something that might not be in the contract or in the scope of work—they say 'sure, no problem,'" the LACOSTA point of contact said.

Quality Saves Quantity

According to the LACOSTA point of contact, outsourcing labor through LACOSTA has been a pain-free way to fill workforce gaps with reliable, well-trained workers, allowing the company to save on both labor and fringe costs.

"That's the metric that really impacts us," he said. "I could hire all these people and have them work for us, but my labor costs would be higher, plus administrative costs and overhead." He really appreciates the seamless management of LACOSTA.

A Senior Manufacturing Manager says about LACOSTA:

"They go above and beyond. Whatever you need, they can make that happen."

The proof is in the numbers: utilizing managed labor that includes onsite supervision can save on costs related to turnover, training and development, management, and more.

For the automotive supplier, savings included:

- Reduced supervisory needs equivalent to 3 full-time shift managers for a savings of approximately \$150,000 per year
- Administrative costs and overhead
- Labor and fringe costs
- Reduced training costs

LACOSTA guarantees savings of 15%, but most customers can see savings reach up to 30% by outsourcing labor and facility services.

The impressive ROI combined with the caliber of services keeps companies like the automotive supplier returning to LACOSTA year after year.

And for the automotive supplier manager, it's the consistency of their employees' efforts that makes the LACOSTA team really stand out. No matter what the job calls for, LACOSTA employees "do it without complaining," he said.

"I don't know how they get there," the LACOSTA point of contact said. "Everybody I interact with at LACOSTA has a good attitude no matter what they're doing."

The consistency of their employees' efforts makes them stand out. No matter what the job calls for, LACOSTA employees "do it without complaining."

About LACOSTA Facility Support Services

Plant managers, production managers, managers, and staff count on LACOSTA to meet critical KPIs. LACOSTA managed labor ends labor shortages, keeps production running at capacity, and boosts plant output up to 25%—all for 30% less than temp staffing. LACOSTA janitorial services ensure that your manufacturing floor, bathrooms and offices are spotless so that you are tour-ready and audit-ready, every day. LACOSTA employees are cross-trained, proactive and motivated to find ways to increase efficiency and save you money. The purpose of LACOSTA is to keep you focused on yours.

More: www.lacostaservices.com