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GET WITH THE SCHEDULE

Examining the importance of structured flow.

IN THIS ISSUE:

The meaning of flow: Planning and scheduling should be part of any lean transformation. *Kate Mackle* of Thinkflow and *John Darlington* of Value Flow Consulting share their thoughts on why these functions are essential if a business is to achieve results.

Standard work: how Weetabix does it: Jon Parry, performance improvement manager at cereal manufacturer Weetabix, discusses the implementation of standard work for front line team leaders.

Sustaining lean in a financial institution:

Reuben Karuna-Nidhi of Deutsche Bank shares with LMJ readers the main topics being discussed at the bank as it embarks on a lean programme in its Global Technology Production organisation.

Lean, a must-do: This month LMJ looks at lean in Germany, focusing in particular on an increasingly popular improvement methodology, the Toyota Kata.

Designing the system: In this month's update on SCGM for the Lean Diary, Sandra Cadjenovic talks about the Pilot Phase of the company's continuous improvement programme.

CI? Not good enough anymore: Most continuous improvement programmes fail, and yet we seem not to be able to stop following the old ways. *Ýr Gunnarsdóttir* of Nimbus and *Brenton Harder* of Credit Suisse discuss why CI as we know it needs to change, and how this can be accomplished.



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DIARY

Designing the system

Through the last three articles on SCGM, you have had a chance to read about the company's lean implementation project in its Foundation Phase. Director Sandra Cadjenovic tells what's happening now

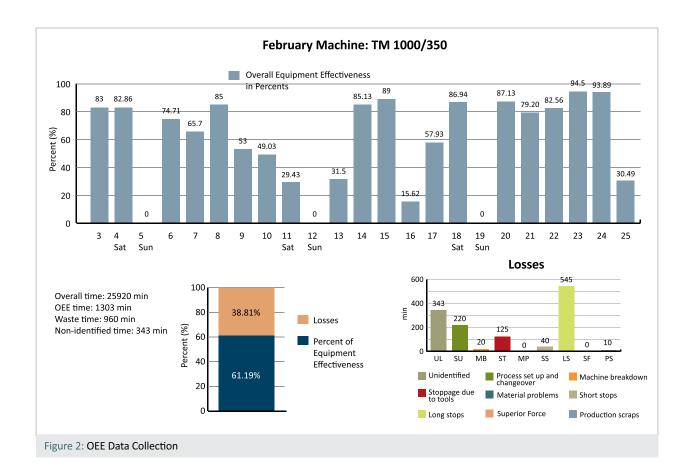


e have seen SCGM staff trying hard to understand the system, see and calculate the losses, start up the improvement processes in which they have had many ups, but also several downs.

What they have been doing so far is collecting the material needed for building their own, profitable and loss-proof 'house', brick by brick. It will take them three years to complete it - they are aware of this, but also very confident. Besides the material, they need steady ground to build the construction on: this was already (partly) provided for, through the application of 5S. You saw a lot of before-and-after situations in last month's article. Once the space was cleared, it was evident where the sporadic losses were. One of them is downtime during tool changeover, as you can see from the Figure 1.

One of the causes for downtime was the fact that only three people on the shop floor were able to perform the tool change. Aside from spending a lot of time on the tool changeover, they were also wasting time explaining the process to others individually, but still doing it by themselves. The solution was training staff on SMED, which takes place every Saturday and aims at involving people and familiarising them with

	TM	BK2500	НМ	BK1300	Krauss
1	02:30:00	02:00:00	03:00:00	04:00:00	05:50:00
2	02:30:00	01:40:00	02:00:00	05:30:00	03:00:00
3	03:00:00	01:00:00	03:00:00		02:00:00
4	02:40:00	08:00:00	02:00:00		01:30:00
5	02:30:00		04:00:00		
6	01:45:00		02:00:00		
7	03:00:00		01:00:00		
8	06:20:00		02:00:00		
9	01:10:00		02:00:00		
11	01:30:00		02:00:00		
12	04:40:00		02:00:00		
13	02:30:00				
14	02:30:00				
15	03:00:00				
	15:35:00	12:40:00	25:00:00	09:30:00	12:20:00
Prosek	02:38:20	03:10:00	02:05:00	04:45:00	03:05:00



the process. Furthermore, for some tool changes, preparation was inadequate. We purchased a device to check the water in the tool, thus substantially decreasing unnecessary waste of time in having to move the tool to check it. To reduce time waste, all the hand tools for changeover will be put close to each machine. The objective is a reduction in time loss, and the result will be a satisfied customer.

Once the tool is changed, it produces parts. Our job is to track the number of parts produced, collect data, understand why breakdowns happen and decrease their number to the lowest possible level. Thus, OEE charts have to become an integral part of operators' every-day activities. Until they do, we track progress. We have identified some initial resistance. People fill in the charts when they realise they are essential, but do it irregularly; they mark the stoppages, but don't write why the stoppages occur. That's the reason for fluctuations in the reports on machine effectiveness and for the presence of many unidentified losses.

A note to ourselves: always have the operators write down the reasons for stoppages in order to identify the losses.

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PILOT PHASE

Turning to the next step, we are now on the Pilot Phase of the process. It is a time in which leadership is directly involved in leading the first projects with the methodological help of the consultant. Pilot teams will be created to attack some of the most critical problems of the company and to improve performance, but also to acquire the experience on "how to improve".

In the last meeting, a masterplan was created.

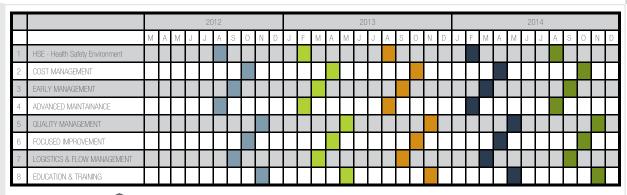
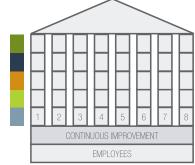


Figure 3: The 3 year masterplan



THE MASTERPLAN

From the blueprint one can see that the "house" has solid foundations, of which people represent the first layer, carrying the whole construction. Without them, the rest of the house would be impossible to imagine. The next level is continuous improvement.

The "house" has 8 pillars, representing different model areas to work on. For each of them, a leader, together with his/her team, must be identified. Therefore, we need to select the pillars, form the teams, create a KPI for each pillar and give the "building" teams responsibilities which they will be carrying out over the next six months. After this period of time, an audit will take place. If all the operations marked in KPIs are successful, a brick will be added to the pillar. We will need five bricks for each pillar to get to the roof.

As it was mentioned, the building process itself will last for three years. We will continue updating you monthly on the stages until the very completion. Stay with us and keep up with the latest update on SCGM Way!

PILLARS

- Health and safety environment Safety (and environment) first! As we said, we need people, and we need them safe, so that they can perform the activities with zero fear of danger.
- **Cost management** To deploy and reduce the cost.
- **Early management –** To establish the systems to shorten the development period, and to enable one-short start up.
- Advanced maintenance It combines planned maintenance and autonomous maintenance, with the aim to have zero failure equipment and prevention at minimum cost and to make sure employees are capable of using the equipment proficiently and maintaining machines when necessary.
- Quality management It focuses on the customer's delight in having a defectfree manufactured product.
- **Focused improvement –** Improvements of equipment efficiency via the pursuit of zero loss, and improvement of technical capabilities.
- Logistics and flow management Satisfying the customer demands for on-time delivery.
- **Education and training** Establishment of systems to systematically develop personnel proficiency in equipment and work.

