



# LEAN MANAGEMENT JOURNAL

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## ALL WILL BE WEIGHED AND MEASURED

Understanding lean assessment methods.

### IN THIS ISSUE:

**The Shingo model for operational excellence:** *Bob Miller* discusses the Shingo model and explains how firms can use it to assess their performance while aspiring to company-wide improvement.

**The central nervous system of lean:** *Matt van Wyck* looks back at his experience with designing an improvement programme for DeBeers.

**Take company uniqueness into account:** Stay away from prescriptive approaches to lean accounting. *John Darlington* on the risks of adopting methods that are recognised as successful but do not necessarily match the characteristics and needs of a business.

**Unstoppable:** This month LMJ attends the Lean Management Summit in Amsterdam and meets some of the best companies presenting there, for the *It's a lean world special* on the Netherlands.

**Critical Initiative Support: improving operations in Afghanistan:** *Tim Clancy* and *Adam Sommers* of IBM Global Business Services explain how Critical Initiative Support can help bring change about in difficult situations where results are needed quickly.



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# Safety matters most



SCGM's CEO, *Sandra Cadjenovic*, gives us an account of what the company has accomplished on the field in the last month.

**W**e have previously said: "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 occurred." We did realise that this was our biggest problem concerning OEE data collecting – workers have been trained on **WHAT** to do, **WHEN** to do it, **HOW** to do it, but the idea of **WHY** they are doing it was a mystery in their minds. It was upon us to guide them.

Therefore, people got detailed explanation on why to identify the losses is so important.

**WHY?** To identify losses means to know where the recurring problem is.

**WHY?** If we know where the problem is, we can thoroughly analyse it.

**WHY?** If we analyse it, we will be able to define countermeasures.

**WHY?** Countermeasures will attack the problem and decrease/eliminate it.  
**WHY?** Decrease the losses = increase the profit = everybody in the company benefits.

Among the results, we received excellent feedback from people and no more unidentified losses in the charts. The main losses have been identified: long stops due to internal tool change time. Therefore, we made a video and we will analyse it together with the operators. Four more people will join the SCGM family: they will be trained to give the support to, for the moment, only three colleagues taking care of SMED.

Now, a clear picture with real numbers stands on each machine (as shown in the picture) and, apart from our lean expert who is giving us great support, we expect help from the operators in accomplishing



STEPS	ACTIVITIES	TOOLS	WHEN	WHO	STATUS	
1	INITIAL SITUATION ANALYSIS	Introduction to 5 Steps of the Safety	Presentation Ppt	15-Apr	Jelena P.	P
		Creation of the Safety Team	Safety Board, meetings, minutes	28-Mar	Dragana	P
		Description of current situation	Safety Board	15-Apr	Sandra	P
		Gap analysis in documentation	Check list	30-Apr	Dragana	P
		Gap analysis in the workplaces	Check list	30-Apr	Dragana	P
		Accident mapping	Heinrich pyramid layout, body parts, green cross	30-Apr	Jelena S.	P
		Risk mapping	Heinrich pyramid layout, body parts, green cross	30-Apr	Jelena S.	P
		Summary of collected data	Chart on the Safety Board	30-Apr	Sandra	P
		Identification of Key Safety Indicators (KSIs)	Accident notices, graphics, Board	15-May	Dragana	P
		Establish operational objectives	Safety Board	15-May	Dragana	P
		Establish profit objectives	Safety Board	30-May	Dragana	P

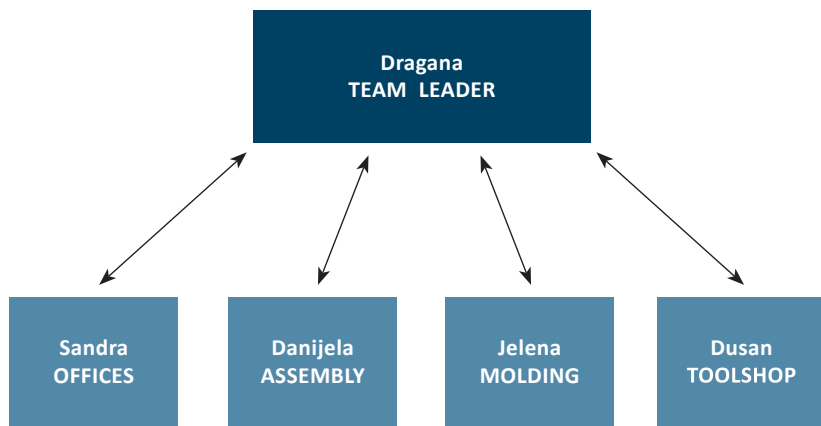
our next tasks. After all, they are our best consultants when it comes to the shop floor.

## 5 S

Recently we put a lot of effort into deploying 5S on the shop floor, which was rewarded during a visit by an important and highly regarded customer of ours. We received positive, motivating and highly encouraging comments. It was proof that we are heading in the right direction; a tailwind for us to speed up, improve and sustain what we are doing.

## SAFETY

During our last visit to SCGM, we had an opportunity to see the scheme of the house we are embarking to build. Foundation made of continuous improvement and people – check. Next step is to start making bricks and add them to pillars. The first pillar in a row of eight is safety, health and environment. Keeping their employees safe and healthy in a non-hazardous environment is what the steering committee recognises as the most important and must-take-care-of part. Yes, one would think that it is a common thing in every company to ensure workers’ safety, and that we were merely “re-inventing the wheel”. What makes the huge difference is that this is safety according to lean. What does it mean? It implies having the step-by-step organised structure, which consists of



three phases and five steps:

- 1 REACTIVE**
  - Actual situation analysis;
  - Elimination losses in operational flow;
  - Evaluation and standardisation of identified solutions;
- 2 PREVENTIVE**
- 3 PROACTIVE**

As you can see, the Reactive Phase is the first one, divided into three steps. One cannot make improvements without

realising what the current situation is. Thus, our starting point is Actual Situation Analysis.

People rolled up their sleeves and got to work, creating the masterplan for the first safety brick, with the assistance from the consultant. You can see the outcome in the figure.

Apart from the masterplan, a safety-building team was created. There is one pillar leader, and four other people, each chosen from different areas: offices, assembly, molding, tool shop, with the aim to have the whole company covered.

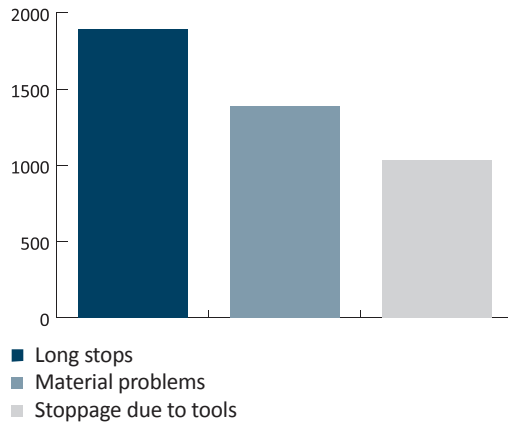
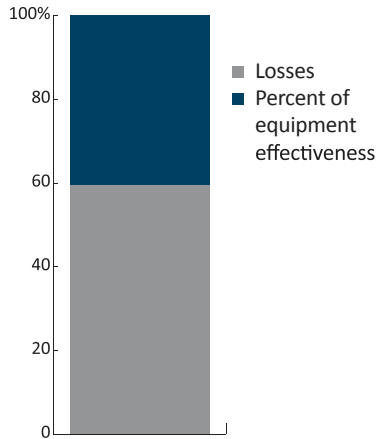
It is upon the team to analyse what the risk- and accident-prone places are and mark them in the layout of the company; to make a gap analysis, which would show via graphs where we are now and the gap we need to overcome in order to reach the goal,

according to the safety standards needed; to identify KSIs and direct us towards accomplishing them; to hold meetings in order to follow up the activities and develop the action plan based on the results.

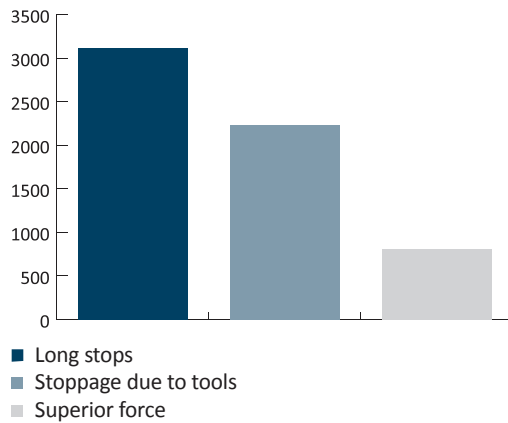
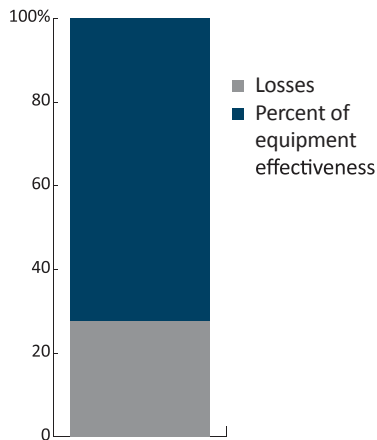
There are things to do, people responsible for doing them, and a deadline by which assignments have to be executed.

In the next article you will have a full report on our next activities. Till then, stay (lean) with us!

**BK 2500/800**



**Engel**



**TM 1000/350**

