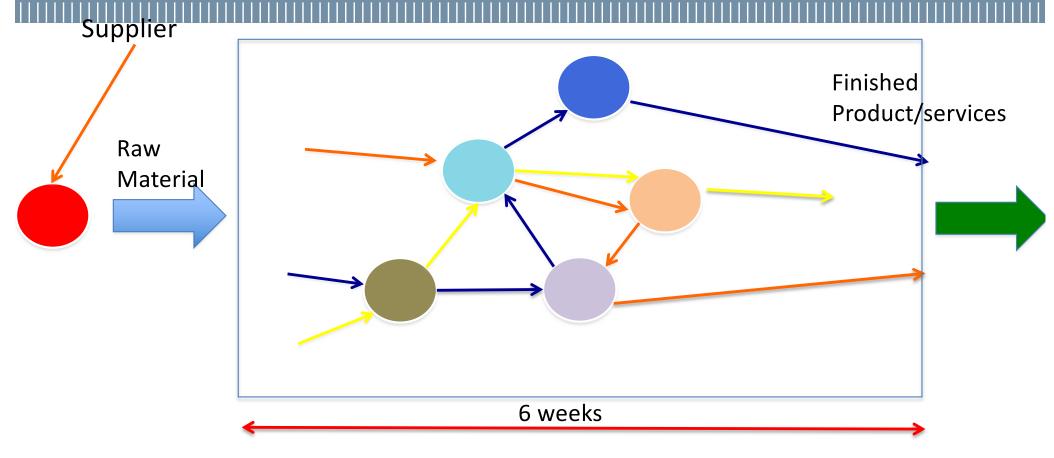


### OPEX & INDUSTRY 4.0 Part 2

Prof. Alberto PORTIOLI STAUDACHER
Dipartimento Ing. Gestionale
Politecnico di Milano
Dep. Management, Economics and Industrial Engineering
Direttore Lean Excellence Center
alberto.portioli@polimi.it

This material and what the Professors say in class are intended for didactical use only and cannot be used ouside such context, nor to imply professors' specific believes or opinion

#### Case study: AdEC advanced electronics company



Competence centers are identified by different colors

Long reponse time; unreliable due dates; no idea of the advancement staus of customer orders

Frequent delay in suppliers delivery of purchase orders

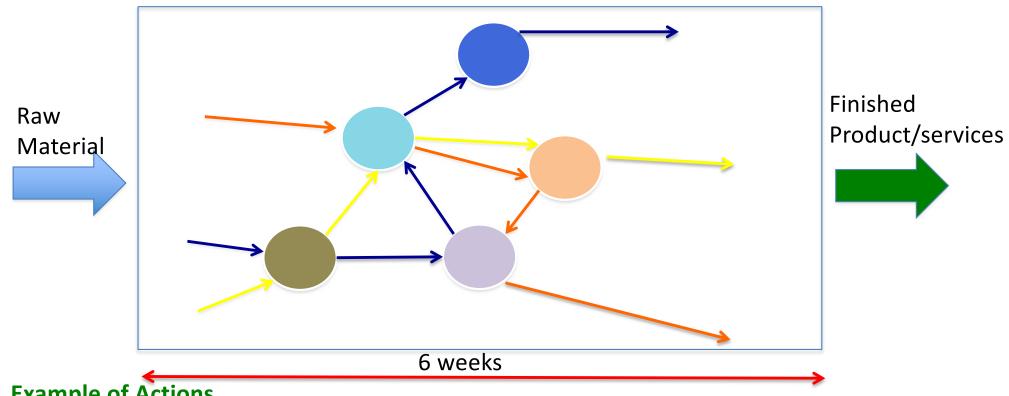
#### **Assignment**

Which investiment in INDUSTRY 4.0 technologies would you do to improve AdEC performances. With particular focus on:

- Delivery speed
- Delivery reliability
- Supply Chain efficiency (coordination with the supplier)

Why?

#### AdEC advanced electronics company Where to invest?



#### **Example of Actions**

Real time advancement control; real time priorities management;

Real time scheduling; real time alternative routings;

Real time update on expected completion date; quick response recovering plans; etc.

Supplier visibility on forecasts, orders, and stocks

Integrated scheduling system with the supplier

Many different ideas: everything and nothing

Difficulties in identifiing areas not influenced by digitalization

Need for a map and a compass

#### Lean as a guide for Industry 4.0

**Lean principles** are vital to successfully implement Industry 4.0 related projects.

**Identify Value** 

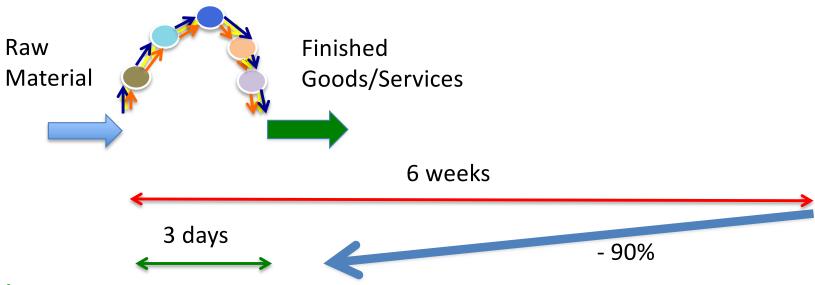
Map the Value Stream

**Create Flow** 

**Establish Pull** 

**Seek Perfection** 

## AdEC advanced electronics company Lean as a guide for Industry 4.0 – Map & Compass



#### **Actions**

Increase flexibility (Electronic setting and adjusting->Zero setup time);

Multi skilled operators (organisational chng. Training. Performance measurement system, etc.)

Man Machine interface (making easier for the same person to run differen type of resources)

**Different Management approach** 

Technology supporting the people, rather than substituting or controlling

Two totally different investments

## Lean as a guide for Industry 4.0 – Map & Compass: Organization, Processes, People

To rely only on technological change brings limited benefits: transformation must involve technological aspects, but also Organization, Processes and People.

Industry 4.0 is an **opportunity to change** OPP, LEAN is the approach to **lead the change** 

#### Overall view, but gradual changing:

- Fragmented implementations bring limited advantages;
- Learning is the key element: Industry 4.0, as LEAN, involve a huge number of people. The effect is unpredictable and difficulties are many and unknown.
- Pilot project and then a roll-out is the best way to success.
   Scheduling technological implementation, alongside with the development of competences and attitude.

# Lean as a guide for Industry 4.0 – Map & Compass: Organization, Processes, People

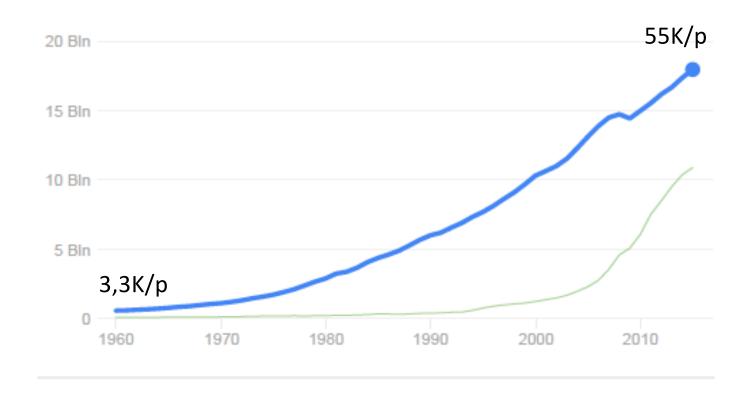


Lean/TPS invests in people Thinking People System

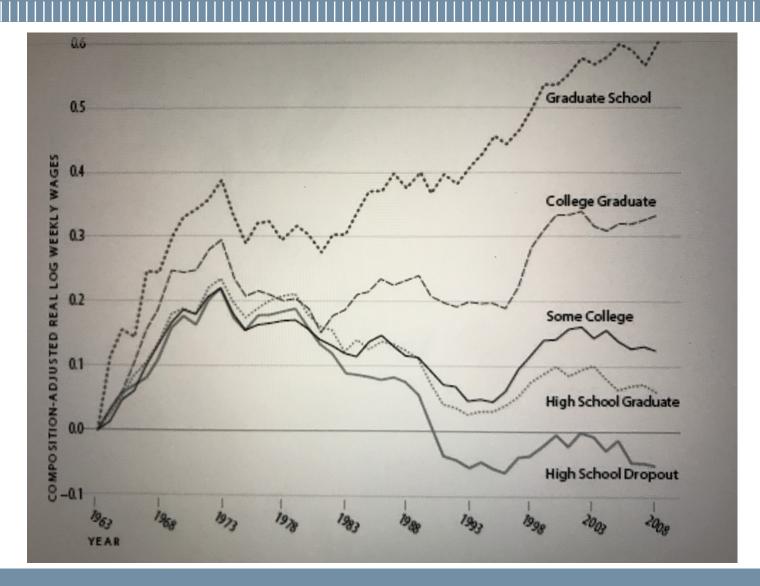
Most companies invest very little in training hours dedicated to their human resources (and the main reasons are not related to financial issues)

### Economic development

#### PIL USA Trend (Nominal)



### Trend of Workers' purchasing power (in real terms)



# Lean as support of Industry 4.0 – Map & Compass: Organization, Processes, People

Technology complements people, support them, help them. It does not substitute them, nor guide them.

Technology is a tool. Value is in people.

Someday machines will be able to solve all problems, but they will not be able to pose one (Albert Einstein)

#### Lean as support of Industry 4.0: Map & Compass

Second half of the board

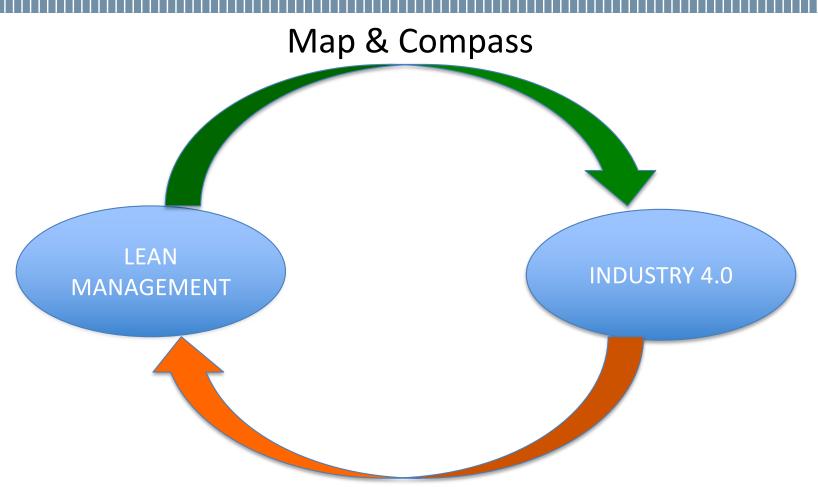
When we are aware that it is required...it is too late

Lead changes, not be led by them (...or overwhelmed)

Jack Welck

Develop Yourself, Develop People it is a WIN-WIN

#### **LEAN e INDUSTRY 4.0**



**Opportunities and Development** 

#### **Technological facilitation**

e-KANBAN

Dynamic variation of # of Kanbans based on demand variations

Digital adjustments of machines: quicker setup

E-spaghetti chart

E-Value Stream Mapping

Human-Machine Interface: easier work on technological different machines

Sensors, Big Data, Machine learning: Predictive Maitenance

#### Further links to digital tools



#### **Development and evolution**

The heart of LEAN is Problem Solving and Learning

Greater opportunities for diagnosis

Quicker identification of problems

Quicker identification of root causes

Greater interventions' areas

