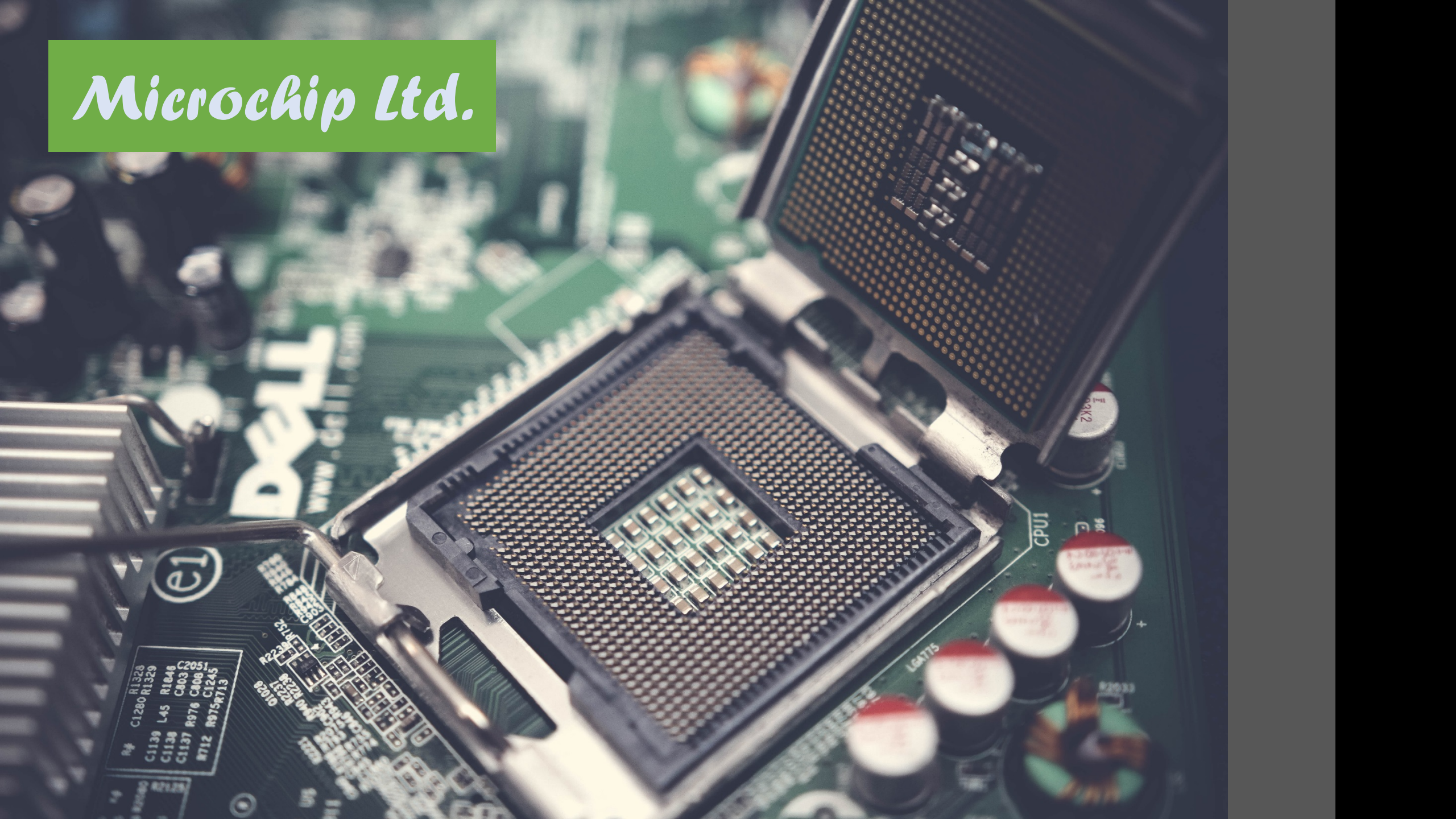


Microchip Ltd.



ACTIVITY SOLUTION:

CONDITIONS FOR SUCCESSFUL JIT IMPLEMENTATION:

- **COMMITMENT OF THE TOP MANAGEMENT**
- **CONSIDERABLE FINANCIAL OUTLAY IS REQUIRED DURING THE EARLY STAGES**

YOUR ORGANIZATION MAY FACE SOME PRODUCTION LOSS AND CHANGES TO MANAGEMENT PROCEDURES

TRUST AND COMMITMENT BETWEEN THE SUPPLIER AND THE CUSTOMER NEEDS TO BE BUILT UP

ACTIVITY SOLUTION:

7 HIGH-LEVEL STEPS TO MAKE JIT IMPLEMENTATION SUCCESSFUL:

**STABILIZE AND LEVEL
THE MASTER
PRODUCTION
SCHEDULE**

**REDUCE OR ELIMINATE
SETUP TIMES**

**REDUCE LOT SIZES
(MANUFACTURING
AND PURCHASE)**

**REDUCE LEAD TIMES
(PRODUCTION AND
DELIVERY)**

**USE IDLE TIME FOR
PREVENTIVE
MAINTENANCE**

**CREATE A FLEXIBLE
WORKFORCE**

**REQUIRE SUPPLIER
QUALITY ASSURANCE
AND IMPLEMENT A
ZERO DEFECT QUALITY
PROGRAM**

STABILIZE & LEVEL THE MASTER PRODUCTION SCHEDULE

AIGPE

A MASTER PRODUCTION SCHEDULE (MPS) IS A SCHEDULE SHOWING WEEK BY WEEK THE QUANTITY OF EACH PRODUCT THAT MUST BE PRODUCED ACCORDING TO CUSTOMER ORDERS AND DEMAND FORECAST

WORK CENTERS SHOULD BE UNIFORMLY LOADED THROUGH CONSTANT DAILY PRODUCTION

REDUCE OR ELIMINATE SETUP TIMES

SETUP TIMES SHOULD BE REDUCED BY SEPARATING INTERNAL AND EXTERNAL ACTIVITIES

A “ONE-TOUCH” SETUP CAN BE DEVELOPED WITH THE HELP OF BETTER PLANNING, PROCESS REDESIGN, AND PRODUCT REDESIGN

REDUCE LOT SIZES (MANUFACTURING AND PURCHASE)

REDUCTION IN SETUP TIMES ALLOWS ECONOMICAL PRODUCTION OF SMALLER LOTS

CLOSE COOPERATION WITH SUPPLIERS IS NECESSARY TO ACHIEVE REDUCTIONS IN ORDER LOT SIZES FOR PURCHASED ITEMS

JIT REQUIRES MORE FREQUENT DELIVERIES

REDUCE LEAD TIMES (PRODUCTION AND DELIVERY)

PRODUCTION LEAD TIMES CAN BE REDUCED BY:

- **MOVING WORKSTATIONS CLOSER**
- **APPLYING GROUP TECHNOLOGY AND CELLULAR MANUFACTURING CONCEPTS**
- **REDUCING QUEUE LENGTH**
- **IMPROVING THE COORDINATION AND COOPERATION BETWEEN SUCCESSIVE PROCESSES**

DELIVERY LEAD TIMES CAN BE REDUCED THROUGH:

- **CLOSE COOPERATION WITH SUPPLIERS**
- **INDUCING SUPPLIERS TO LOCATE CLOSER TO THE FACTORY**

USE IDLE TIME FOR PREVENTIVE MAINTENANCE

IDLE TIME OF MACHINES AND WORKERS SHOULD BE USED TO:

- **MAINTAIN EQUIPMENT AND**
- **PREVENT BREAKDOWNS**

CREATE A FLEXIBLE WORKFORCE

WORKERS SHOULD BE TRAINED TO:

- **OPERATE SEVERAL MACHINES**
- **PERFORM MAINTENANCE TASKS AND**
- **PERFORM QUALITY INSPECTIONS**

**THE ATTITUDE OF RESPECT FOR PEOPLE LEADS TO GIVING
WORKERS MORE RESPONSIBILITY FOR THEIR WORK**

SUPPLIER QUALITY ASSURANCE & ZERO DEFECTS

ERRORS LEADING TO DEFECTIVE ITEMS MUST BE ELIMINATED

QUALITY AT THE SOURCE PROGRAM MUST BE IMPLEMENTED TO:

- **GIVE WORKERS THE RESPONSIBILITY FOR THE QUALITY OF THEIR WORK**
- **AUTHORITY TO STOP PRODUCTION WHEN SOMETHING GOES WRONG**