

Title:

Preparation for Lean Manufacturing

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Summary:

It seems that every manufacturing company is now trying to adapt the Lean Philosophy, invented and mastered by Toyota Corporation. Lean manufacturing has also spilled over into non manufacturing industries. Unfortunately, many companies don't completely understand the true meaning of Lean Manufacturing. Lean Manufacturing, simply put, is "continuously improving your processes to eliminate waste". This sounds simple, but many companies will fail!

Keywords:

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Article Body:

It seems that every manufacturing company is now trying to adapt the Lean Philosophy, invented and mastered by Toyota Corporation. Lean manufacturing has also spilled over into non manufacturing industries. Unfortunately, many companies don't completely understand the true meaning of Lean Manufacturing. Lean Manufacturing, simply put, is "continuously improving your processes to eliminate waste". This sounds simple, but many companies will fail to become truly Lean because they don't have an environment to implement and maintain Lean.

Most people believe Lean is just a set of tools (One Piece Flow, JIT, Kan-Ban, 5S, Six-Sigma, Kaizen Teams, Push / Pull Systems, etc.) that can be used to cut waste. However, Lean is not only a set of tools, it is a culture. If a company has severe issues with employee turnover, employee morale, product quality, product delivery, equipment uptime, plant housekeeping, etc., it will be extremely difficult to shift the employees to a new way of thinking and conducting business. In other words, if your employees are in constant fire fighting mode, they will not be able to properly implement Lean.

Fix the obvious problems first

To prepare for Lean, you must "fix the obvious problems first". Many times employers will know exactly what the problems and solutions are. They just don't

have the time, resources, or incentive to fix them. If you have an automobile that is constantly breaking down because of a bad transmission, then fix it! Repair or replace the transmission. Do not implement a Lean Strategy to fix the car. Just fix it. Lean is not used to fix broken processes. Lean is used to continuously improve working processes to eliminate waste. When all the obvious problems are fixed on that vehicle, it's then time to fine tune it to become more efficient. It's time to look at ways to cut waste (cost) to ultimately save money!

A Word about Six-Sigma

Some companies now mandate that Six-Sigma be used to fix problems. Unfortunately, Six-Sigma isn't always used correctly. Six-Sigma is intended to solve complex problems that have numerous variables that cause variation in a process, which ultimately cause defects. Six-Sigma uses statistics to systematically identify what the different variables are doing in the process and points to potential solutions. It eliminates guessing as to what's causing the variations. Again, fix the obvious problems first. Many problems don't have to be analyzed to detect solutions. In many instances, the solutions are obvious: i.e., If the light bulb is blown, then, change the light bulb.

Value Your People

Society generally refers to companies as entities. We speak of IBM, GM, and Microsoft as entities; however, they are really groups of people. GM doesn't build cars, the employees of GM build cars.

To develop that culture as successfully as Toyota Corporation has, companies must first realize that they have to develop, nurture and value their employees. In order to build a culture of people wanting to continuously improve, people have to be engaged in their jobs. They have to feel valued by the company. They have to feel they are noticed and rewarded for their contributions. Ultimately, the company has to value having low employee turnover to create consistency. A company with high employee turnover cannot maintain a successful Lean environment.

To foster this type of environment in today's business world isn't easy. There is low loyalty between U.S. companies and their employees for a variety of reasons. Some companies look at employees as an expense rather than an asset that can be easily cut. If employees of a company do not feel the company values them, they will find other jobs. With today's business world, it's difficult to implement a long term Lean strategy. Yes, a company can dictate to it's employees to use Lean tools to cut waste, however, to sustain that ideology long

term require an engaged, loyal, consistent, work force.

Develop and Retain Strong Leaders

Good managers are coaches, poor managers are dictators. A good manager will believe in the team concept where every member of the team is important and his/her opinions are valued. A good manager will value his/her employees and realize that for him/her to be successful, the team has to be successful. A poor manager will dictate to his/her employees, which creates havoc! A good, efficient, business unit with high employee morale will fall apart within weeks if a poor manager has taken over. Poor managers fail because they don't have strong leadership skills. They lack people skills, communication skills, decision making skills, and delegation skills necessary to develop and maintain effective teams. A strong leader must sell the Lean Strategy and realize that ultimately the employees as a team are the ones to make it happen.

Think and act World Class (even if not there yet!)

To become Lean is to become World Class. When walking into a facility that has an unclean, unorganized work environment, one knows he/she haven't walked into a World Class facility. There is no need to look at the productivity numbers to determine whether or not the facility is World Class. If a plant is World Class, it looks World Class as soon as you walk into the door.

A Lean facility is thoroughly organized. Every process is clearly defined via standards. Production is operated via very clear Visual Management. A true World Class facility has the discipline to sustain organization. Outside auditors, potential customers and employees will be turned off if the work environment isn't clean and organized. Keeping a work area clean and organized is simple; however, many companies overlook this simple task.

Make Decisions Based on Logic and Not Politics

Most of the time decisions made senior management are implemented without questioning regardless if the decisions make sense or not. Too many times, decisions are made by senior management without them fully understanding the process and issues. Lower-level managers ultimately implement ideas and strategies that are not based on logic but politics. They will implement ideas even if they themselves do not believe in them. This can create numerous problems which makes implementing Lean Strategies difficult.

Decisions should be made throughout the organization through effective communication. Senior management should not just mandate, but sell their ideas

and be open to questioning and suggestions from lower-level managers. Senior management should fully understand the issues and processes by effectively communicating with the managers at the different levels. Major decisions whenever possible should be made as a team vs. an individual.