

Lean Thoughts

Inspired People

Robust Processes

Lean Operations

August 30, 2004

For all Consortium events – Contact Richard for more information.. For other events – contact directly

Important Consortium Dates to add to your calendar

The **Team Time** schedule has been established for the coming year. Team Time will start at 1:00pm at the host company. This will allow for folks to work with peers in the host site to collaborate, facilitate and implement ideas to advance the implementation of manufacturing excellence. *Participants should be prepared to work on the shop floor and come equipped with proper PPE.* The host site will advise 1 week in advance Team Time Projects. Part of the Team Time activity will include a plant tour.

- September 09, Team Time, **CGL Manufacturing** contact Dave Desker, daved@cglmfg.com
- September 15 & 16, Lean Conference Canada, **Ottawa Congress Centre** contact www.leanConferenceCanada.com to register
- September 25, Consortium ShareShowcase, **Eaton Cutler-Hammer** contact Joe Fisher, JoeRFisher@eaton.com
- October 14, Team Time, **CTS Corp.** contact Bob Garces, Bob.Garces@ac.ctscorp.com
- October 18-22, AME Annual Conference, **Cincinnati.** contact www.ame.org for details
- November 11, Team Time, **Morrison Lamthe.** contact Tony Vita, tvita@morrisonlamthe.com
- December 09, Team Time, **Inscape.** contact Joe Cyr, jcyr@inscapesolutions.com
- January 06, Team Time, **Alumabrite Inc.,** contact Richard Kunst, Richard.Kunst@Kromet.com
- February 10, Team Time, **Kromet International.** contact Richard Kunst, Richard.Kunst@Kromet.com



Consortium Practitioner Circles

- **Create Flow in a High Mix Low Volume Environment, Host; Messier-Dowty, Sept.01** contact Richard Evans, Richard.Evans@Messier-Dowty.on.ca
- **Formal Problem Solving, Basic, Six Sigma and Jidoka, Host: Morrison Lamothe Sept.08** contact Mike Richards mrichards@morrisonlamothe.com
- **Creating Cells and Flow Synchronization, Host Kraft, TBA** contact Hanif hjivrage@kraft.com
- **Advance Part Quality Planning (APQP) or new part introduction Host, CFN Precision Sept. 20,** contact Barry Wood bwood@cfn-inc.com
- **Creating the Visual Factory host, Eaton Cutler-Hammer, Sept 09** contact, Joe Fisher JoeRFisher@eaton.com
- **Effective Health & Safety host Alumabrite date TBA** contact Bob Krosue Bob.Krouse@alumabrite.com
- **5S+1 Implement, Enhance and Sustain host, Nestle Waters** contact Mariela Castano mcastano@perriergroup.com
- **First Time and Sustainable Quality host, CTS of Canada** contact Bob Garces Bob.Garces@ac.ctscorp.com
- **Hyjunkia & Creating the Lean Office host, Kodak of Canada** contact Joanne Heighway Joanne.Heighway@Kodak.com

Consortium Shareshowcase

The organizing team is well underway getting this years event ready to be an other outstanding success of shared learning. The organizing Team is still looking for support from within our member companies ... below is the current status and the outstanding asks ...

Committed

- Sept 25th 8 to 9 am set - up, show 9 to 11:30, lunch 12 to 12:45
- * Awards at 1 pm
- * No more than 3 teams per company with 4 members per team
- * Lunch will be catered - every-one will get a barbecued burger, salad and a drink - complements of Eaton
- * Morrison supplying breakfast pastries
- * Kraft is supplying coffee
- * Nestle is supplying water
- * Every-one else is contributing money or give-aways for prizes for the winners, or both.
- * Please bring your significant others but minimize the number of guests due to space restrictions
- * We will use the second floor of the Milton office for the show
- * Bring cameras etc to preserve the event, although you won't be able to take pictures on the factory tour.
- * Four awards will be presented (these awards are under review – they might be renamed):
- * Best example of 5S, workplace organization or visual systems

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- * Best example of a continuous improvement initiative
- * Most innovative application of a lean tool
- * Peoples choice - Best in show
- * Winning team members will each get a prize valued at approx \$50
- * Every other participant will get a prize valued at \$10
- * A loot bag will be given to each participant family
- * We encourage each participating team to have a game to attract people to their booth and to buy their votes
- * We will have a lunch speaker from Nestle
- * Consortium directors will be the judges
- * Plant tours will be available after 1 pm

What we still need:

- * We want every participant to get a loot bag and we want every company to donate product, a give-away etc for 200 loot bags. Steve Nicholson from Eaton is the "loot bag guy" and will be hounding you shortly.....
- * We need 200 loot bags - does any-one have plastic bags?
- * We need to know how many teams you are sending and how many people approx will be attending (Cindy sending out registration forms)
- * Volunteers to act as greeters etc

Final conference call at 12 noon on Sept 17.....

Questions etc call Cindy 905 822-6015 X2440 or Joe

Getting Lean "Right" —10 Points to Consider

Whenever I visit with manufacturers, I do a quick survey. The first question is "how many of you have heard of lean?" Not surprisingly, every hand usually goes up. Even when surveying the financial community, more and more hands go up. Then I ask, "How many of you are doing something about lean?" At that, the show of hands is cut in half. Many aren't doing a thing, usually because they don't know how to start or see too many barriers keeping them from making the commitment. The last question is the clincher—"how many would consider your lean efforts a raging success?" After this all-important question, I usually see no more than one hand go up.

So, why is it that such a low percentage of companies that know about lean turn it into a success? It's not because they haven't heard about continuous flow, or they don't know how to do 5S, or they've never seen a kaizen workshop. ***It is because the leadership, cultural, organizational and implementation challenges are much greater than they anticipate.***

Fisher 905 631-4144 Once you decide what you are

contributing for the goody bag stuff Steve Nicholson 905 693-0290 X272

1. **Rome wasn't built in a day...**and neither will be your lean transformation. Lean is not a one—or two-quarter commitment. It takes 1 to 2 years to build the necessary momentum, and from there your journey will last forever. Yes, tools such as Kaizens can provide very quick and significant improvement. But, without taking the time to implement a program that yields sustainable benefits, process improvements gained by lean tools will slowly deteriorate back to where you started. Significant and sustainable results will occur throughout the entire process, but the most profitable returns are realized through a two-to-five year plan.
2. **Lean transformation is not a part-time job.** Don't expect someone to lead the lean charge in his/her spare time. ***You need to assign a dedicated leader or team to take on this challenge.*** It requires daily attention from leaders who fully understand the scope of the project and who won't get caught up in daily distractions. Most cultures are centered on solving today's problem, reacting faster and better, and getting results today or tomorrow. Stuck in that culture, it is hard for leaders to consider a multi-year journey—people need to be extracted to focus on a different timeline. In addition, these leaders require continued support from management throughout the implementation.
3. **Lean is more than just tools.** Lean is not born from what you see; it is born from how you think. Lean is a set of rules and principles, not just tools. Tools focus on physical system changes, but that is not where the heart of lean beats. ***The entire way of thinking must become embedded in every person of your organization.*** You may fix one problem or process with a lean tool today, but if the old thinking continues, it will recreate the old problems. Sustainable lean change—the kind that builds momentum—comes from the mind and heart of all employees.
4. **Lean is a journey that never ends.** There is a tendency for companies to declare, "We've done it. We've achieved lean." The truth is, lean is a constant, never-ending process. You will always strive to be lean, but you will never get there, because there is always a gap between where you are and your ideal state. If you believe that

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your journey has ended, you've failed. Even when you can consider yourself a success, do not stop. Success is exemplified by an organization that continues to move forward at such a pace that it would be difficult to even try to slow it down. Consider Toyota—no matter how much better they are than their competition, they continue to find more and more opportunities to improve each and every year.

5. **Be prepared for resistance.** When change is proposed, people often feel threatened. Some will think it's because there has been something wrong with what they were doing, but most will just be uncomfortable with the unknown. So, as your company embarks on this journey, you must work to help people understand why, what and how. Remove the fears—or make NOT moving forward the more fearful choice. Also, many people think lean means cutting staff, when in reality it's about working smarter to preserve heads and even increase the workforce through market growth.
6. **You need leaders to take on this challenge, not managers.** Managing is maintaining current reality. Leadership is moving people toward the ideal state. Lean transformation is about leadership. And leadership is not a position or rank. Look for people at every level of the enterprise who are capable of leading. If lean is about transforming thinking, then to lead lean, you must be able to teach.
7. **Be prepared for the investment—in both people and time.** People will need to learn new skills and they will need the time to gain them. This means experimenting with every process everyday to get it right. There is also a financial investment, mostly in training, but also in process changes. However, the evidence is clear that the payback for this period is in months and not years. You can use focused-improvement tools such as Kaizens to get immediate gains and pay for the investment. The potential of difference between lean and non-lean companies is not 5-10 %, it is 100-1000 % improvement in quality, cost, delivery and, of course, profit.
8. **Lean is not just about the shop floor.** Taiichi

Ohno, one of the fathers of the Toyota Production System, said decades ago "the Toyota Production System is not just a production system." If you reduce lead-time in manufacturing by 90% and can get product out in hours, but order entry takes four weeks, then you aren't really moving forward in the market. You must attack every corner of the business from accounting to human resources to manufacturing.

9. **There is no recipe, but there is a roadmap.** A recipe tells you exactly how to do something—the amounts, sequence and timing. ***There is no such recipe for lean success*** since every company starts with a different set of ingredients (or factors and constraints). However, there is a roadmap. There are guideposts along the way to help you determine where you are and offer potential solutions to help you get to where you want to go. Learn from as many other journeys as possible to help understand the roadmap.
10. **Don't just copy the answers.** Many people have tried to succeed at lean in the past by copying the solutions that Toyota or others have found, either through benchmarking or out of a book. The problem is, this is like a kid copying off someone else's test only to find out they were taking a different exam. Your company is unique and will likely have some unique problems and constraints—you must engrain lean thinking in your organization so you can find your own answers.

Philosophy 101: *It may be that your sole purpose in life is to simply serve as a warning to others*

Never stop collecting the lessons learned along your path to lean. Lean transformation is a long journey that will require you to collect experiences and reflect upon each and every lesson you learn along the way.

Source: Jamie Finchbaugh @ www.leanlearningcenter.com