Objectives

Understand…
- The negative effects of traditionally-organized processes on company performance
- How to recognize opportunities for process improvement
- How to apply and implement Lean concepts & tools
Three Principles of Lean

Frequently forgotten...often resulting in failure of lean initiatives

- Lean is about people, not techniques
- Lean is a mind-set, not a toolset
- Lean is a journey, not a destination

Production vs. Transaction

Production Process

Customer Order → Order Processing → Schedule Production → Manufacture & Assembly → Ship to Customer

Transactional or Service Process

Customer Inquiry or Request → SME Request Processing & Interaction → Service to Customer
Focus of Lean Process Management

Reducing Process Cycle Time & Increasing Process FLOW by systematically eliminating non-value added waste

What is Waste?

- Waste is anything more than minimum of equipment, materials & parts, space, & time needed to add value to a service or product
- Waste is Non-Value-Added - Not something our customer is willing to pay for
Eight Non-Value Added Wastes
“Cash in the Trash”

- Defects & rework
- Overproduction
- Non-value-added processing
- Excess transport
- Excess queues
- Excess motion by people
- Waiting time
- Unengaged minds

Wastes are Just Symptoms

- They tell us we have process problems
- They start us on the road to identifying root cause problems to be resolved
- We must find the root causes to solve process problems to eliminate non-value added processing
Waste Impact on Process Capacity

Capacity is consumed by waste
Eliminating waste releases capacity

Continuous Improvement Pyramid

Use combinations of these tools to improve processes:

- Continuous Improvement
- Dynamic Scheduling
- Six Sigma Tools
- Pull
- Process Flow
- Quality at the Source
- Point of Use
- Quick Changeover
- Process Layout
- Collaboration
- One Unit Flow
- Standardization
- Workplace Organization
- Visual Management
- Workforce Engagement
Workplace Organization (5S)

- The 3S:
  - Sort – what is needed
  - Straighten – what must be kept
  - Shine – what remains

- To maintain the 3S:
  - Standardize – stick to the rules
  - Spread – sustain the routine

Teamwork & Improvement

- Communication
  - One-way
  - Two-way
  - Engaged two-way
Visual Management

Use of visual signals to:
- Simplify & speed up the communication of information to office workers & managers
- Help with speedier & more accurate decision-making

Process Layout

Layout is one of several critical factors to improving FLOW

of information & material throughout the process
Batch Handling

- *Large batches are more efficient*

True or False

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Review Quality at the Source

- Inspect at each step before passing to next
- Inspect before adding value
- When inspecting, be prepared with:
  - *The right documentation & resources*
  - *The right training and support*
Point of Use (POU)

- Making available & storing materials, equipment & tools, & instructions where & when they are needed
- Replenishment through visual management
Continuous Improvement Pyramid

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What’s Next?
Lean Deployment Process

• Team-Based Lean Fundamentals Training
• Assessment - Value Stream Mapping
• Rapid Improvement Event – Kaizen

*Small Steps...Big Changes*

Key Success Factors

- Unyielding *Leadership* commitment & support
- Observing outside successes & failures
- Ability to question everything
- Experimentation
- *Involvement* at all levels
- Information sharing
Example:

Gov’t Permitting Agency

- Initial: 75 work days overall plus time for customer to resubmit responses to questions; 31 days value-added
- Instituted “pre-submittal conference” with customer & all applicable depts; resulted in no resubmittals; was typically 2 per application; now eliminating 14 work days per resubmittal plus customer time
- Standardized procedures, New lay out of the office
- Eliminated several days waiting by ordering archived property files earlier in the process

Thanks for your Participation & Involvement

Questions?...

Comments?

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