



April 21, 2008
Volume 7, Issue 17

LEAN THOUGHTS

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Lean & Clean

Leverage your Value Stream Mapping exercises to become more environmentally friendly. This was the message conveyed when I met with our local IRAP representative Yves Richard. Sometimes you need an outsider's perspective to guide you to the obvious.

As many of you know I am a great fan of Enterprise Value Stream mapping since it takes you beyond the traditional shop floor and dives deep into the information and communication flows of your operation. I am also a strong advocate that if your annual operating plan is not supported by Value Stream Maps your plan is just a wish.

I have already enhanced my dialogue boxes within the Value Stream Maps to capture information revolving around the three pillars of;

- Inspired and Motivated People (Cultural)
- Robust Processes (Physical Assets)
- Lean Operations (Process DNA)

For example in the case of People I now capture casual absenteeism, turnover, amount of people cross-trained, tenure and the 5S score. Since the power of Lean is all about the respect for people it just makes sense to look at operations with high turnover to make them better.

So adding the environmental observation during your mapping exercise just expands the scope of opportunity. One of the key components of Value Stream Mapping is walking and observing the current state by actually being there. I am constantly amazed when I facilitate a mapping session how often even very seasoned managers find out new attributes of how the value stream is actually operating.

So now as you walk your value stream create your eyes to look at it from an environmental perspective in addition to the other attributes. Begin by looking in garbage cans and do a trash audit ... what and why are certain things being placed in trash cans? Look in your swarf container ... creating this swarf costs money what can be done to minimize the creation of swarf. In one case at a machine shop an employee installed a simple oil filter and collection container at the bottom of the swarf container to re-capture coolant that could be recycled back into the machine saving the company several hundreds of dollars annually.

After many iterations of value stream mapping it become more difficult to find great improvement opportunities so expanding your horizon to look at environmental opportunities is just a natural and profitable extension of observation. Plus it makes the world just a bit more environmentally friendly. For example what you find in the trash can may be a symptom of greater opportunities ...

LEAN CONSORTIUM MEMBERS:

- ACE Bakery
- Alumicor
- CGL
- CTS Canada
- EATON Cutler Hammer
- KRAFT
- LA-Z-BOY- Residential
- MESSIER-DOWTY
- MORRISON LAMOTHE
- ORENDA
- NESTLE WATERS CANADA



Where “Lean Thoughts” Become Reality



- Excessive use of rags and or wipers can indicate that the machine has a leak.
- Smell ... the fumes could indicate a toxic emission or that you are over processing within the operation.
- Noise ... is the silent killer and we need to constantly find a way to make for quieter operations.
- Water, coolant spills ... pumps consume energy and if this liquids are being pumped onto the floor you are wasting energy.
- Amp meters ... can be a friend, log the size of motors being used and the amount of current that they are drawing ... is there a better method?
- Pre-Start ... many operations require the machines to warm up before they will perform effective operations... this idle time can be costly, is there an alternative opportunity?

In addition, look at what machines will be started at begin of shift or after the completion of a scheduled break. If several machines are started at the same time this will create a peak in your energy consumption. Many companies pay for energy consumption based on the peak usage determined during the day ... staggered breaks can actually be a savings.

The list could go on but you get the picture. If you want to get some more information why not contact us or get acquainted with the Canadian Research Council and IRAP by contacting Yves Richard at yves.richard@nrc.gc.ca he will direct you to your local IRAP advisor within Canada.

You can also contact us to facilitate a Enterprise Value Stream Mapping workshop where we will introduce you to our significantly enhanced templates and data collection methodology that now includes environmental attributes ... thanks Yves for helping us enhance our tool box.

OOPS ... with MRP

Last week I received a call from an individual in a panic. They were facing significant part shortages that was now impacting their ability to deliver on-time. As we continued our discussion it came to light that they were also facing a profitability challenge and hence had enacted some dramatic gestures to generate cash.

This company manages their inventory using MRP, so the decision was made to dramatically reduce or eliminate the safety stock buffer within their system.

This can be a good thing if you have fixed other attributes within your supply chain, which in this case they had. So the variations of on-time supplier delivery performance and the confusion of whether not done the due date meant on dock or ship date now was creating significant impacts on their through- put performance

Migrate to a kanban system. Now many folks want to jump to solution quickly and harvest the cash that can be potentially freed up. Caution needs to be heeded and make sure you have the infrastructure well planned when working with external suppliers. Here some basic steps to consider ...

- 1) Build your Plan For Every Part (PFEP) data base. This data base needs to contain the specific component dimensions, usage data, supplier location etc.
- 2) Consolidate your supplies into a supermarket arrangement instead of having them scattered across your organization.
- 3) Select a few key suppliers you want to work with. This can be based on supplier attitude, dollars purchased or geographic proximity to your location.
- 4) Define and engineer your replenishment and consumption routes so that they have a cadence which is predictable and repeatable.
- 5) Talk with your suppliers and explain what your plan is all about and include them early in the design process of your kanban.
- 6) Define your triggers, packaging is a great tool for kanban triggers. In some cases consider using flow-through packaging that be used by multiple suppliers that can add components along the supply chain as a means of kitting.

Kanban is a very powerful tool when it comes to inventory replenishment since it eliminates the noise inherited when using an MRP system such as Safety Stock, Move Times, Forecasted Demand, Substitutions etc. ... all the stuff that removes your operation away from the actual customer demand.

Hopefully me friend on the panic phone call will find a solution. However I know he was disappointed since he was looking for a quick fix ... but like most things the devil is in the details and the detail is at the part number level ... where we all know we need to go but resist.

Contact me if you need coaching or facilitation help in the areas such as but not limited to; 5S, Value Stream Mapping, Set-up Reduction, Problem Solving or Policy Deployment and Consortium Development



2008 Consortium Event Schedule



Tour Workshop Conference

January	February	March	April	May	June
<p>T</p> <p>Wednesday 16 <u>Eaton Electrical</u>, contact Joe Fisher, JoeRFisher@eaton.com</p>	<p>T</p> <p>Wednesday 13, <u>ACE Bakery</u>, contact Cindy Grolleman, cgrolleman@cebakery.com</p>	<p>T</p> <p>Wednesday 19, <u>Nestle Waters</u>, contact Mariela Castano mcastano@perriergroup.com</p>	<p>C</p> <p>Consortium Shareshowcase</p> <p>Saturday 05 <u>Eaton Milton</u>. Contact Cindy Grolleman cgrolleman@cebakery.com or Joe Fisher JoeRFisher@eaton.com</p>	<p>T</p> <p>Wednesday 14, <u>Alumicor</u>, contact Barry Wood barry@Alumicor.com</p>	<p>T</p> <p>Wednesday 18, <u>Morrison LaMothe</u>, contact Tony Vita tvita@morrisonlamthe.com</p>
July	August	September	October	November	December
		<p>T</p> <p>Wednesday 24, <u>Kraft Foods</u>, contact Hanif Jivraj hjivraj@Kraft.com</p>	<p>T</p> <p>Wednesday 16, <u>CTS Corp.</u>, contact Navneet Mann, navneet.mann@ac.ctscorp.com</p>	<p>T</p> <p>Wednesday 12, <u>Messier-Dowty</u>, contact Mike Smith Mike.Smith@Messier-dowty.on.ca</p>	<p>T</p> <p>Wednesday 10, <u>Orenda</u>, contact Brenda McIntosh brendamcintosh@orenda.com</p>