Managing for Daily Improvement

Standard Work and Tools for Management to Drive Continuous Improvement

Front Line Leadership Development System Module

Part 1 of 12
# MDI Workshop Agenda

<table>
<thead>
<tr>
<th>Day</th>
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<td>Monday</td>
<td>Workshop Kick Off&lt;br&gt;Introductions, Objectives &amp; Expectations for the Week&lt;br&gt;Visual Workplace (5S)&lt;br&gt;Safety&lt;br&gt;SQDC</td>
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Objectives

Learn the tools and techniques you need to implement and sustain improvements in your work area.

Our focus is on daily, continuous improvement as opposed to “events”, sometimes referred to as Kaizen Events.

By the end of this week:

1. Learn to “See” wastes in your area and systematically reduce or eliminate it daily.

2. Identify Relevant Metrics, Design Visual Management to expose those metrics, and begin daily habit of improvement.

3. Apply many of the tools and practices taught this week.
Your Work Relationships

- Engineering
- Material
- Maintenance
- Quality Control
- Production Operators
- YOU

Manager

Customer Experience. Improved.
Daily Management?

**What?**

Daily Management is a fact-based, systematic, goal-oriented active style of management where the principles of Lean Management are applied daily, with a focus on daily activities linking with higher level strategy.

**Why?**

- Links team activities to company big picture
- Enables communication with team and shifts
- Systematic problem resolution (daily)
- YOU – it involves you and makes work meaningful
What is Lean

A Business Strategy that:

Reduces waste and lead time in all processes relating to new product development, production, distribution and administration

Improves quality, cost and delivery of the final product to the customer

Establishes a competitive advantage that will enable sales and profitability to grow

Builds a culture of involvement and mutual respect to improve enterprise capability and enables continuous improvement
The Loom was a significant invention because it created a mindset that remains a thread throughout the development of Lean.

When the needle broke, the machine stopped.

In 1926, this was a huge development and this principle became one of the pillars of Lean today.

Today, these principles are known as Jidoka and Andon.
How the term “Lean” was Coined

The word “Lean” was coined when a group of MIT researchers visited Toyota and they noticed that Toyota did “Everything with Half of Everything” – half the space, half the people, half the money, half the materials but with very high quality. – the word “Lean” was born.

Lean is both a System and a Worldview. In the next few days, we’ll learn about the worldview and how to practically apply the system daily.
The customer defines value. There are 2 types of customers:

1. The customer is the end customer
2. The customer is also the downstream process from you

There are 3 types of activities:

1. Activities that Add Value
2. Activities that Do Not Add Value
3. Activities that Do Not Add Value, but we need them right now

- Perfection: all the steps in your process add value.
- Waste: Goal is to identify these, eliminate them, and let value flow.
- Necessary Waste: Need to put-up with these (regulatory, reporting)
Activity #1

On a piece of paper, draw a line down the middle. Think of a process you manage.

On the left side, write the sequential steps for perfect flow.

On the right side, write the steps that prevent perfect flow.
1. What is the purpose of your process? Why does it exist?

2. If the customer were to observe your process, what steps would she consider waste?
Introduction to Lean Principles

Define Value from Customer Perspective

Identify the Value Stream

Eliminate Waste

Flow the Process

Pull the Product

Involve & Empower Employees

Pursue to Perfection
House of Lean Production System

Toyota Production System

Just-in-Time
- Right Product, Right Amount, Right Time
  - Takt Time
  - Quick Changeover
  - Pull Production
  - Kanban

Jidoka
- Quality & Autonotation
  - Andons
  - Automatic Stops
  - Error Proofing
  - Rapid Response

Production Leveling
- TPM
- Standard Operations
- 5S

Lean Sigma Philosophy & Culture
Jidoka is...

• Building quality (mistake proofing) into the process and/or activity
  - Six sigma capability
  - Assets that are available to run when needed at rated speeds without idling, delays or adjustments

• Equipment autonomation
  - Capable machine processes that enable separation of machine and operator
  - Capable of detecting abnormalities and signaling operators before defects or stoppages occur

• Visual Control
  - Immediate response to abnormal conditions
  - Prevent the accumulation of defective product and passing it on to the next process
Visual Workplace

Hour-By-Hour Chart

Hourly Chart

High Chamber

Low Chamber

Degrees Celsius

263

207

Degrees Celsius

Safety

Quantity

Delivery

Cost

Customer Experience - Improved

Tools Required:

1. Safety scissors

2. Safety glasses

3. Safety shoes

Safety Equipment:

1. Safety glasses

2. Safety shoes
Abnormality Response & Reaction

- React to problem
- Measure impact
- Alert team
- Find root cause
- Develop and test improvement
- Train affected associates in new standard operations
- Update standard operations with tested improvement
1. Standards are the basis for comparison (before/after)
2. With no standard, can’t objectively tell what has changed or what has improved
Continuous Improvement Cycle

**Plan ➔ Do ➔ Check ➔ Act**

- **Plan:** Identify & Eliminate Waste
- **Do:** Develop and Deploy Improvements
- **Check:** Assess Improvements & Confirm Results
- **Act:** Standardize Associated Processes & Procedures
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## Lean Progression (1)

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<tbody>
<tr>
<td>1</td>
<td>T/T unknown</td>
<td>No standard routings</td>
<td>Material stored at the operators and in W/Hs</td>
<td>MRP driven (push)</td>
<td>Undefined</td>
<td>Greater than 30 minutes</td>
<td>Large batch, variable delivery, EOQ driven</td>
</tr>
<tr>
<td>2</td>
<td>T/T known, but not achieved</td>
<td>Standard routings by process</td>
<td>W/H with one shift qty stored in s'markets</td>
<td>Pull within plant</td>
<td>Defined, not used</td>
<td>10 minutes</td>
<td>Product packaged in daily quantities</td>
</tr>
<tr>
<td>3</td>
<td>Work completed within T/T</td>
<td>Standard routings by product</td>
<td>S'markets with water spiders kitting</td>
<td>Supplier pull</td>
<td>Defined &amp; used</td>
<td>Single digit</td>
<td>Daily quantities delivered to customer demand</td>
</tr>
<tr>
<td>4</td>
<td>Optimum productivity at T/T</td>
<td>Integration from supplier to the customer</td>
<td>Mtl delivered in kits from suppliers direct to operators</td>
<td>Build based on customer demand</td>
<td>Reviewed &amp; kaizened frequently</td>
<td>Single digit</td>
<td>Mtl received in kit containers with daily deliveries to customer demand</td>
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## Lean Progression (2)

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<th>Jidoka</th>
<th>Production Smoothing</th>
<th>Continuous Improvement Culture</th>
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<tr>
<td>1</td>
<td>Unknown undetected</td>
<td>Machine is operator dependant</td>
<td>No program</td>
</tr>
<tr>
<td>2</td>
<td>Manually detect</td>
<td>Operators start, stop, and monitor machines</td>
<td>Program in place, but not unified (flavor of the month)</td>
</tr>
<tr>
<td>3</td>
<td>Auto detect</td>
<td>Operators react to machine andons and TPM is in place</td>
<td>Cross-trained for all processes with-in a group</td>
</tr>
<tr>
<td>4</td>
<td>Prediction of problems</td>
<td>Operators monitor critical attributes from a distance, “Lights out”</td>
<td>Cross-trained for all processes on the line</td>
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### Jidoka (Systematic Efficiency)
- Detection (Quality)
- Autonomation (Productivity)

### Production Smoothing
- Production Planning
- Visual Control
- Cross-Trained Associates

### Continuous Improvement Culture
- Culture
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