



Consider the Upward Spiral

-by Albert J. Perotti, III

In my field, the continual improvement biz, it's easy to get sucked in the downward spiral of negativity. You get attitude from the naysayers like: "It won't work...", or "We tried that a few years ago..." or "It's just another recycled initiative..." and so on and so forth. I've also heard: "We did value stream mapping and operational analysis, but – after all the details were exposed management lost interest."

There are a lot of bitches, whines, and moans in organizations that don't convey a continuous improvement mentality. Rise above the chatter and start working on an upward spiral. The bad news is you have to up-sell it.

Your job is to sell betterment, and sell it constantly. **No more trash talk!**

Now here's the good news about "doing better" – there are lots of opportunities for improvement initiatives. These opportunities abound in your organization, hell, in any and every organization on the planet!

And, at the end of the day, no one is exempt from doing better.

Start with Safety. Set targets and improve Health (well-being), Safety, and Environmental concerns and issues. Do the same for Quality (customer satisfaction) and Speed of Execution (on-time delivery) measures.

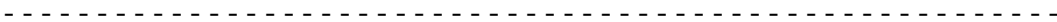
A credo around these particular elements of excellence might be:

"ZERO HARM, ZERO DEFECTS, ZERO WASTE"

Remember, these are visions of enhanced performance to strive for. Yes, strive. We may or may not achieve them, but – they are the noble causes we are focused on as business, operational, and process leaders.

This nobility is the foundation of our being. It begets the joy of our work and ultimately the legacy of our career.

Now I ask you to ride the upward spiral: *How is it better because of you?*



Check out the annual ASQ Lean Six Sigma conference held in Phoenix, Arizona. <http://asq.org/conferences/six-sigma/>



"Is it better than it was before?"
-Jay Watson

Individual Highlights:

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Case Study - Marine Terminal Kaizen project

“Drive for Safety” Produces Positive Results!

DEFINE

Background: Not enough signage to clearly define how to travel to various locations on the terminal.

Goal: eliminate wasteful time throughout the terminal, create a safer traffic pattern, and improve turn times for Outside Truckers and terminal vehicles by minimizing congestion.

MEASURE

- Data was collected for cycle times for UTRs (utility vehicles) and turn times for outside truckers at each point of operation: example- In gate to yard pedestal, crane to Top Handler, Top Handler to Crane, etc.
- Surveyed outside truckers and labor for suggestions regarding terminal improvements.

ANALYZE

- Insufficient signage on the terminal
- Paint was worn out so no could see yard locations
- Old signs were faded, bent, broken
- Existing signs were not visible
- Signs were ignored
- Overall traffic pattern was needed
- Congestion in yard because traffic pattern was not clearly defined



IMPROVE

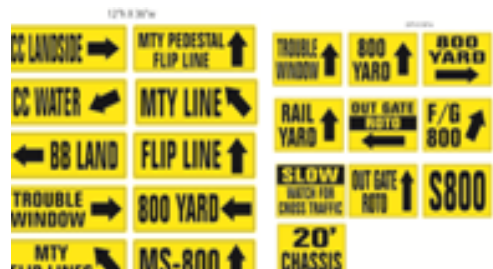
- Painted yard locations on the ground which eliminated confusion
- Highlighted ONE WAY, STOP & YIELD areas with paint
- Trans row indicators were placed at the caps and throughout the trans rows to alert the drivers of their location
- Added 71 new signs which quadrupled the number of existing signs on the terminal

CONTROL

- Added K-Rails [Jersey barriers] to clearly define traffic patterns, parking zones, and walk areas
- Utilized K-Rails for signage where appropriate (see picture above)
- The outside trucker turn time decreased from 40.01 to 34.32 since the signs were put in place. A total improvement of 6 minutes 9 seconds which is a 14.3% improvement in trucker turn times.
- The UTR Cycle time decreased from 9 minutes and 10 seconds to 8 minutes and 12 seconds. A total improvement of 58 seconds or an estimated .04 moves per hour improvement in the overall vessel production.

Since the signs have been put in place, (months) we have not experienced a traffic related injury

After extensive data collection,
worked with sign company to
produce needed information ...



Here's a Kouple O' Komplimentary Kaizen Kase Studies: Improving On-Boarding and Off-boarding Administrative Processes

Ed. Note: These Kaizen Team Leaders, working together, examined several aspects of the employee on-boarding and off-boarding administrative processes for a medium-sized organization. They identified and reduced wasteful practices across multiple sites, implemented standard work, and mistake proofed several steps saving money and reducing potential liability risk exposure to the organization.

I.T. Support (On-Boarding, Total Cycle-time Reduction)

After Process Analysis:

- Streamlined and automated/ modified process for I.T. connections/responsibilities, apps., timekeeping systems, cell phones, desk phones/corp directory, et al
- Total cycle time for new employee “up and running” from 2 weeks to 4 days
- I.T. on-boarding process now documented/ measured
- Proactive for Internal Audit [findings reduced from prior period...]

I.T. Support (On-Boarding, P.O. Authorization Approval)

After Process Analysis:

- Automated P.O. approval levels based on management level and responsibilities
- Reduced possibilities of fraud and risk (unknown/ unauthorized spending)
- Proactive for Internal Audit [findings reduced from prior period...]

I.T. Security (Off-Boarding Process)

After Process Analysis:

- Identified risks and implemented process automation to minimize human intervention and thus errors
- Policy and work procedures created
- Reduced IT Security Incidents from system access perspective
- Sample estimated cost savings per employee : Laptop \$1035, Oracle account \$530, credit card approx. \$3000, mobile account \$50

Challenging Fun : Working Together : Solving Problems

Part of a 4-hour introductory session, Business Leaders (below) learn about process improvement tools and techniques through a table top lego “flow/ assembly game”.



Recognize these Wastes in Administrative Processes

(aka: “FRUIT BAT”)

- **F**unctional Handoffs
- **R**edundant Systems
- **U**nnecessary Data
- **I**ncomplete Information
- **T**ransportation (Paper flow...)
- **B**atch processing
- **A**pprovals
- **T**alent (*Are people continuously improving their work??*)

Some TIPS between “Process” & “Operation”...

Process: *f-l-o-w* by which raw materials are converted into finished goods...

Within the process structure, the 4 categories a product is engaged in are:

<u>Activity</u>	<u>Typical</u>	<u>World-class</u>
• Transportation	10%	<2%
• Inspection	5-10%	0
• Processing	1-5%	>80%
• Storage	70-80%	<18%

Operation: *actions* performed on material [production] / information [admin]...

Within the operations structure, 3 categories can be occurring:

- **Preparation & After Preparation Adjustments** (Set-up, Tear-down, Tool change, etc)
- **Principal Operations** [Actual Work Content]
 - Main Operation (Assemble, hole punch, drill, shear, etc)
 - Incidental Operation (Movement of Press/ People, etc)
- **Marginal Allowances** (P, F, & D - Personal, Fatigue & unavoidable Delays)
 - Hygiene
 - Fatigue
 - Workplace (Breaks, Cleaning, Maintenance, Meetings, etc)



Know the 5 elements of a Production System

- 1) **Objects of Production:** (*The What?*)
Materials – Raw, Finished, Semi-finished, WIP
- 2) **Agents of Production:** (*The Who?*)
People, Machines, Tools, Fixtures, Tooling, Incidental Devices, Inspection Equipment, etc
- 3) **Method:** (*The How?*)
Processing System, Load and Capacity Balance, Processing Conditions, etc
- 4) **Space:** (*The Where?*)
Left to Right, Front to Back, Top to Bottom
- 5) **Time:** (*The When?*)
Turn time, Process Time, Machine Time, Takt Time, Miller Time!

Look Beyond Cost – Consider the other “Implications” of Waste...

<u>Waste</u>	<u>Example</u>	<u>Implication</u>
Defective Products	parts incorrect from supplier Incomplete information	customer complaints rework, scrap, warranty
Overproduction	low yield forces 110 to get 100 produce more than demand	additional time, cost obsolescence, count, store
Waiting	investment ‘sits’ for next event batching, signature cycles	not cost effective inefficiencies built in
Non-utilized resources	people not working to skill level poor investment, retainment	low morale high turnover
Transportation	bad layout process monuments	investment to cover inefficiency batch processing, no flow
Inventory	inventory investment ‘sleeping’ 6 months of paper at every copier	long lead time, rework, lost high cost, never right size
Motion	30% time looking for parts/ tools paper not next to copier	barriers to adding value ergonomics, safety
Excessive Processing	hand finish functional signatures	ineffective use of skills no decision rules, travel



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OBSERVE:

- Poor illumination, ventilation
- Poor housekeeping
- Lack of skill
- Lack of knowledge
- Stress
- Inadequate supervision
- Inadequate engineering
- Inadequate maintenance
- Abuse or misuse of tools or equipment
- Horseplay
- Unclear responsibilities
- Failure to warn
- Poor traffic design
- Parking lot traffic

**GEMBA: GO THERE!
LOOK AND LISTEN...**



**-jaybird
2014**

***Identify and attack
operational waste/process
variation and unsafe
conditions everyday ...***

SAFETY QUESTIONS:

- What safety issues pertain to this part of the organization?
- When was the last audit conducted by an outside expert?
- What data does the safety committee provide?
- What is the process for collecting and sorting information about accidents, incidents, and close calls?
- Is there an analysis of injuries and illnesses in terms of severity (S), occurrence (O) /frequency, and likelihood of detection/ detect-ability (D) prior to an incident??
- Are systems and standards adequate to sustain a safe environment?
- Are safety rules followed?

A good way to start observation of the topic area is to walk into the area and ask,

“If there were to be a safety incident, injury, illness, close call or accident caused by working here, what would it be?”

About Our Approach ...

Do It Yourself! Free Lean Enterprise materials on the internet!