

Improvement Initiatives

"Change – for the better!"

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FREE NEWSLETTER

September 2011

Lean Front Office: Improvement beyond the Shop Floor - Gregory Romanello

<http://www.supplychainbrain.com/content/technology-solutions/product-lifecycle-management/single-article-page/article/front-office-lean-taking-lean-manufacturing-beyond-the-shop-floor/>



Once an application is identified to help facilitate front-office lean thinking, it's time the company begins reengineering its processes--in essence, determining where value is delivered in front-office processes, and the activities that do not contribute to value and that need to be eliminated.

Just as is the case on the shop floor, a kaizen event is the tool of choice for kicking off a front-office lean initiative.

A kaizen event involves:

- 1) standardizing an operation,
- 2) measuring the standardized operation,
- 3) gauging measurements against requirements,
- 4) making the appropriate changes to meet requirements and increase productivity, and
- 5) standardizing the new operations.

Using this technique, to identify waste in front-office processes by asking questions that many companies never ask about their administrative activities, such as

"What does it cost to process a purchase order, sales quotation, or estimate?"

What are the steps involved in these processes, and what value is delivered to the customer for each step that we take?

How can we eliminate steps that do not add value to the customer?"

[continued on next page ...](#)

Improving through Strategic Information Management: Step-by-Step ...

<http://archive.gao.gov/t2pbat3/151707.pdf>

"If it [a work process] runs like a mess, then using information technology just gives you an automated mess." - Senior line Manager

Lean Front Office (continued ...)

The goal of this process is to create a value stream map of the processes an organization follows as a company. At the end of a kaizen event, it should be easy for a company to identify non-value added activities and remove them from its internal processes.

There are several discrete steps in this lean front-office implementation:

1. **Analyze what people are doing** in their respective departments. How do these people bring value to the company and its customers?
2. **Determine which people touch which documents and processes, and why** they touch them. Determine how much of this activity is needless and can be removed from the process flow. Go through value stream mapping by determining how much each step in the process costs and what it contributes to revenue.
3. **Optimize the physical environment.** In some cases, it will make sense to move objects and people around in the office to facilitate more direct and efficient communication and decision making. Interoffice mail is slow, and even e-mail can result in poor communication; both modes of communication could become less necessary if the recipient and sender have direct contact with each other.

It's OK to have people from different disciplines sitting adjacent to each other.

4. **Optimize processes through automation** with an enterprise application. As inventory levels dip to a certain point or as a project slips behind schedule, an application should be able to send up an alarm to notify the correct people to take action. An enterprise application can also open itself up to outside suppliers and customers, allowing them a firsthand view of activities they have a stake in. The right application can also automate process flows even when those working on a project are separated by great distances.

5. **Monitor your results.** Specific metrics, such as takt time, can give a company a handle on how its lean practices are impacting its operation. Fluctuations in those metrics can indicate that processes are not being followed, or that new processes need to be implemented to accommodate changes in the organization's business.

Pondering a Suggestion System?



Learn more at: http://www.1000advices.com/guru/processes_kaizen_suggestions.html

The employee suggestion system is an integral part of an established management system that aims at involving employees in Kaizen.

The number of worker's suggestions is regarded as an important criteria in reviewing the performance of the worker's supervisor and the manager of the supervisor.

7 Goals of a Good Suggestion

Making the job easier

Removing drudgery from the job

Removing nuisance from the job

Making the job safer

Making the job [more productive](#)

Improving product [quality](#)

Saving time and cost.

The Japanese management encourages employees to generate a great number of suggestions and works hard to consider and implement these suggestions, often incorporating them into the overall Kaizen strategy.

Management also gives due recognition to employee's efforts for improvement.

An important aspect of the suggestion system is that each suggestion, once implemented, leads to an upgraded standard.

The Three Stages of a Suggestion System

1. Encouragement. In the first stage, management should make every effort to help the workers provide suggestions, no matter how primitive, for the betterment of the worker's job and the workshop. This will help the workers look at the way they are doing their jobs.

2. Education. In the second stage, management should stress employee education so that employees can provide better suggestions. In order for the workers to provide better suggestions, they should be equipped to analyze problems and the environment. This requires education.

3. Efficiency. Only in the third stage, after the workers are both interested and educated, should management be concerned with the economic impact of the suggestions.

Suggestion systems are a valuable opportunity for self-development.

Suggestion systems:

1. Make employees [Kaizen-conscious](#)
2. Provide an opportunity for the workers to speak out with their supervisors as well as among themselves.
3. Provide an opportunity for management to help the workers deal with problems.

Subjects for Suggestions

In order of importance:

1. [Improvement](#) in one's own work
2. Savings in energy, material, and other resources
3. Improvement in the working environment
4. Improvements in machines and [processes](#)
5. Improvements in jigs and tools
6. Improvements in office work
7. Improvements in product [quality](#)
8. Ideas for [new products](#)
9. [Customer services](#) and [customers relations](#)
10. Others

According to the Japan Human Relations Association, most of the suggestions that have economic impact come from groups, while individual-based suggestions serve as morale boosters and educational experiences.



Lean is ...

Not New, folks !

ON the ROAD 2 RECOVERY

A century after Henry [Ford](#) developed the assembly line production method for the manufacture of Model-T Fords, a Japanese automaker (Toyota) has pioneered the next evolution on the concept [*circa 1955*] – and begun a revolution that is quietly spreading beyond the business world.

It's called "lean" manufacturing, and analysts say it enables managers to reduce redundancy, increase output, and save capital that can be used to hire more workers ...

Learn more about "Lean" at:

<http://www.foxnews.com/us/2011/04/29/japans-lean-manufacturing-takes-root/>

Here's the full Modern Machine Shop Magazine article on-line:

<http://www.mmsonline.com/columns/lean-practices-are-not-just-for-manufacturers>

and ... **Lean Practices Aren't Just for Manufacturers**

Exerpts from Modern Machine Shop

Manufacturers have focused on workplace organization with the objective of locating everything needed to produce a product in the least amount of time possible. To this end, they have located tools, fixtures and equipment in highly visible locations; ensured paperwork is clearly labeled and easily accessible; and designated specific areas to serve as storage location.

Workplace organization is equally important in companies that do not manufacture anything. Consider tools used in an office, such as printer cartridges, stationery supplies and plain paper. There is considerable benefit to placing all of these in designated locations so they can easily be found.

Likewise, office paperwork, such as forms and customer files, should be clearly labeled and stored in a convenient location. Storage cabinets and file drawers also need to be clearly marked so everyone knows where to find what they need. There is no downside to a neat, clean, orderly workplace anywhere in a company.

Another lean concept applied in manufacturing is the "right sizing" of inventory. This involves determining the correct amount of inventory needed—not too little and not too much. Right sizing has reduced inventory levels in most manufacturing companies.

Getting a handle on supply items is a logical first step. Ordering smaller quantities of supplies that can be consumed in a short interval will likely lead to smaller inventory levels and less cash expended on items not needed.

Off the Page ... Free VIDEOS from various web resources



5S GONE WRONG !! (*Start here for a laugh...*) Run Time: 4:11

<http://www.youtube.com/watch?v=t8lfQp4A4ZI>

Another funny one! Run Time 1:22

<http://www.youtube.com/watch?v=MDqYxEQpP0g>

LEAN OFFICE VIDEO Run Time 10:41

<http://www.youtube.com/watch?v=czMjDaXUfDE&feature=channel>

LEAN OFFICE VIDEO Run Time 7:33

[http://www.bing.com/videos/watch/video/from-waste-to-value-lean-thinking-in-the-
een/79963bd689cbf957ddfa79963bd689cbf957ddfa-
963984949465?q=lean+office+videos&FROM=LKVR5>1=LKVR5&FORM=LKVR32](http://www.bing.com/videos/watch/video/from-waste-to-value-lean-thinking-in-the-
een/79963bd689cbf957ddfa79963bd689cbf957ddfa-
963984949465?q=lean+office+videos&FROM=LKVR5>1=LKVR5&FORM=LKVR32)

5S and VISUAL MANAGEMENT Run Time 8:52

http://www.youtube.com/watch?v=4_p9Yxkn_IM&feature=fvw

THE ONE MINUTE (VALUE STREAM) MANAGER Run Time 1:00

http://www.youtube.com/watch?v=oA_YSyBkhiM&feature=related

VALUE STREAM SAMPLE (Future State with and w/o timing control) Run Time 4:36

<http://www.youtube.com/watch?v=j33eX7uLPds&feature=related>

DELL COMPUTER LEAN ENTERPRISE CASE STUDY / TOUR Run Time 6:58

<http://www.youtube.com/watch?v=cdg9rpg6Dt8&feature=related>