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LEAN THOUGHTS

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Cash and the Lean Enterprise

I need cash !, and more of it ! ... NOW !!!

Maybe not so always eloquently stated but the theme is a constant mantra in all organizations. I do not care which enablers (Lean, TOC, Six Sigma etc.) you embrace, they are just tools to help generate more cash. I am not going to speak on the topic of increasing revenue but rather how to reduce your operating costs.

On the shop floor cash can be identified as inventory and in the office as information ... so what are you doing to free up this cash ... cellular manufacturing, set-up reductions, one piece flow, formal problem solving etc. I am in violent agreement with James Womack ... that if I had to monitor one metric in an organization it would be inventory ... the true reflection of a perfect process.

Aggressive inventory reduction will enhance product velocity through the value stream which will require excellent quality through good engineering principals.

Speak to any Lean practitioner or read any publication and they will tell you that you need to go to the Gemba (where the action takes place) to sieze the reality of the situation. But why should folks "go to the Gemba?", shouldn't they already be there ?

Ok let the controversy begin ...

Offices do not add value ... they are just a means for folks to hide from getting engaged to generate cash. Supervisors need to be on the shop floor working with team members, engineers need to be working on the shop floor improving and perfecting processes, purchasing folks need to be in the centre of the plant reducing inventory, eliminating shortages, schedulers and production control people need to readily accessible to deal with the constant fluctuations of customer demand. Quite frankly, I do not know why offices are required for anyone in the organization. With the advent of lap top computers and wireless technology there is no need for an office ... just a small flat surface to work from.

I can hear the responses now ... the plant is too noisy, dirty, hot, cold etc ... pick one! Well folks you decided on a career in manufacturing so the environment comes with the career choice. Others will say they need quiet space to develop reports ... but if you have a visual factory all of your charts, project plans etc ... should be visible in the centre of the plant ... if it is not directly adding value to the product it probably is a waste. Visual triggers need to immediately change team behavior or call for action.

Cellular manufacturing principals also work well in administrative processes, but folks are comfortable hiding in offices or cubicles instead of inter-facing with each other. Every organization I visit complains about the lack of communication within their organization ... but they complain about it from behind a closed door in their office ... In a world-class organization there are no secrets but a common understanding and focus on excellence, generating value for the customer and cash.

If you spend time reflecting on your meetings, reports and disturbances to flow issues the root cause will normally come to break-down of communication somewhere in the Enterprise Value Stream. People are constantly waiting for information in order to deliver and action ... so just imagine if the decision makers where truly integrated as team members within the Value Stream of the factory.

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Where "Lean Thoughts" Become Reality



Wherever one goes, organizations are struggling with "Sustainability" – and – a lack of committing attention and the effort to getting the basics right – while in pursuit of the next silver bullet instead. People constant struggle to balance the requirements of resource deployment or determining if the tool(s) employed are getting the traction required within the organization to deliver ... cash.

Sometimes you just need to stay the course and focus on the basics or the foundational elements of your organization. Even Toyota has realized that they need to take all of their Team Members back to basics. Under the leadership of Ray Tanguay, President of Toyota Operations Canada, all Toyota Team Members will be re-trained in the basics of the Toyota production System during the next two years.

Need cash? Sometimes you can get it just for the asking. So just start asking your team members for ideas and opportunities to reduce the waste within the organization. Of course some opportunities will lie beyond the confines of the plant but I am certain that every team member has at least one idea to improve our operations. You do not need to look for those home run solutions even though it would be nice ... but a whole bunch of singles will still let you win the game. So go and ask them now !! just how to put one more unit in box today than yesterday with sustainability ... just think by the end of the month you will putting over 20 more units in a box daily or potentially over 200 by the end of the year.

Still need more cash ... well once again back to basics of work place organization (5S+1) are things in close proximity for use by your team members? A clean and organized workplace is safe, provides a clean and comfortable environment for our team members and will produce quality products built with pride.

More cash ?? Clean out your graveyards ... every plant has them ... the place where we hide obsolete or we better keep it old tools, equipment and other paraphernalia. This again is cash tied up ... sell it to a scrap dealer. Pretend like you are going to have a garage sale and eliminate the clutter and improve the appearance of your facility.

Finally take the time to observe ... stand in the middle of the plant an observe and question why people are walking, hunting or moving inventory ... if it is not on a bus route they are consuming cash.

Cash it is out there you just need to take the time to see and convert it. Have Fun !!!

HOW TO REALLY ERASE A HARD DRIVE

Do you have an uneasy feeling when you give away your old computer that perhaps someone could recover precious passwords and sensitive old files? If you don't - you should. It's quite easy to recover old "deleted" information from a hard disk.

You can spend hours going through your hard drive deleting all the files and documents, but Windows only removes the shortcuts to those files which makes them invisible to users. Deleted files still reside on the hard drive, even if you empty the "Recycle bin". Almost anyone can reinstate your files.

Formatting the hard drive is a bit more secure than simply erasing the files. However, formatting a disk does not erase the data on the disk, only the address tables. It makes it more difficult to recover the files. But a fairly savvy hacker can recover most or all the files.

If you're preparing a system for retirement, you should consider complete removal of all data. Besides identity theft, data theft may leave you or your company liable under federal and state laws, with criminal penalties.

There are lots of programs that you can buy to completely erase your hard disk. (Weblinks below) But, if you're in the mood for a little hacking, or have access to a geek, you can use a utility that's already on your computer. This is "Secure Erase", a set of commands embedded in most drives built since 2001. It is disabled by most motherboard BIOSes; but you can still use it if you really want to. (Weblink below).

Some people say that there's another, simpler way. Just take out the hard-disk, and destroy it - break it with a hammer. Let whoever you're giving it to buy a new hard-drive - they're cheap enough.

How should I erase my hard drive before I give it away?

<http://tinyurl.com/yvvvfr>

How to REALLY erase a hard drive:

<http://blogs.zdnet.com/storage/?p=129>

How to Completely Erase a Hard Disk Drive:

<http://tinyurl.com/2qywml>

Consortium Event Schedule



Tour Workshop Conference

January	February	March	April	May	June
<p>T</p> <p>Wednesday 24 <u>Eaton Electrical</u>, contact Joe Fisher, JoeRFisher@eaton.com</p> <p>W</p> <p>La-Z-Boy Corporate Monroe MI February 14 & 15 <u>Enterprise Value Stream Mapping</u> How to use the VSM tools to map admin processes. Contact Richard Kunst for info. Richard.kunst@la-z-boy.com Register at www.ame.org</p>	<p>T</p> <p>Wednesday 14, <u>CFN Precision</u>, contact Paul Kaulback, pkaulback@cfn-inc.com</p>	<p>T</p> <p>Wednesday 21, <u>Nestle Waters</u>, contact Mariela Castano mcastano@perriergroup.com</p>	<p>T</p> <p>Wednesday 18, <u>CTS Corp.</u>, contact Bob Garces, Bob.Garces@ac.ctscorp.com</p> <p>C</p> <p>Lean Design & Development Conference Wed 18 to Fri 20 Chicago Contact www.iirusa.com/lean</p>	<p>T</p> <p>Wednesday 16, <u>Stackpole CSD</u>, contact Don Barber Don.Barber@stackpole.ca</p> <p>Consortium Shareshowcase</p> <p>Saturday 05 <u>CGL Guelph</u>, Contact Cindy Grolleman Grolleman@canada.com or Dave Deskur daved@cglmfg.com</p>	<p>T</p> <p>Wednesday 20, <u>Morrison LaMothe</u>, contact Tony Vita tvita@morrisonlamthe.com</p> <p>C</p> <p>AME Regional Conference Mon 18 to Thur 21 Edmonton, Alberta Contact www.measureupforsuccess.com</p>
July	August	September	October	November	December
		<p>T</p> <p>Wednesday 26, <u>Kraft Foods</u>, contact Hanif Jivraj hjivraj@Kraft.com</p>	<p>T</p> <p>Wednesday 10, <u>CGL Manufacturing</u> contact Dave Deskur daved@cglmfg.com</p> <p>C</p> <p>AME National Conference Mon 29 to Friday Nov 2 Chicago Contact www.ame.org</p>	<p>T</p> <p>Wednesday 14, <u>Messier-Dowty</u>, contact Mike Smith Mike.Smith@Messier-dowty.on.ca</p>	<p>T</p> <p>Wednesday 12, <u>Orenda</u>, contact Brenda McIntosh brendamcintosh@orenda.com</p>