

Lean Management Overview

lean

enterprise

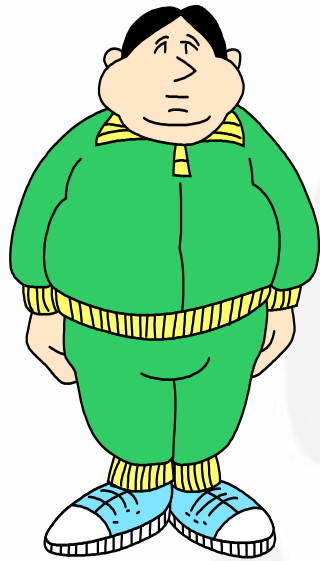
work quality

Lean Definition

- Identify, Reduce & where possible eliminate waste continually across value chain.

What is Lean Management ?

Fat Person



- Runs slow
- Eats More
- More Risk
- Less Flexibility / reaction time

Lean Person



- Runs Fast
- Eats Less
- Less Risk
- More flexibility / reaction time

Lean Organization

Fat Organization

- Eats more
 - Resources
 - Money, Machinery, Time, Space etc.
 - Waste
- Produces
 - Less
 - Products, work
- High Risk

Lean Organization

- Eats Less
 - Resources
 - Money, Machinery, Time, Space etc.
 - Waste
- Produces
 - More
 - Products, work
- Less Risk

Lean Timeline



TOYOTA

Craft
Production

Mass
Production

Toyota
Production

Lean
Management

1890s, Europe

1910s, US

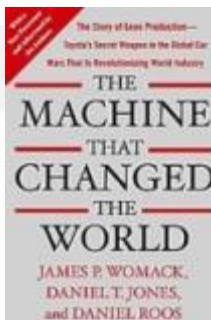
1950s, Japan

1990s, Us



Production System

Management System

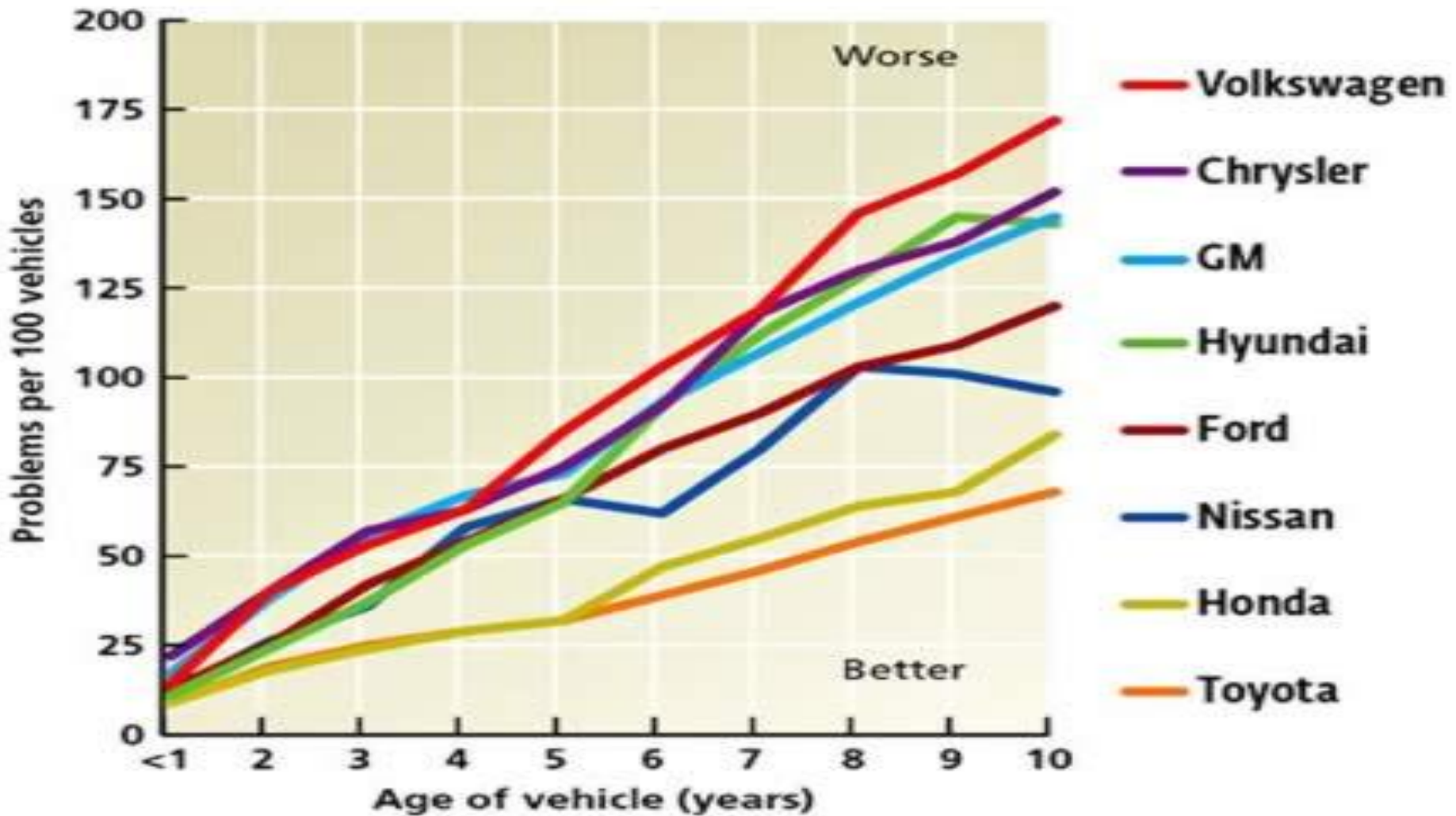


Kiichiro Toyoda



Henry Ford

Consumers Report on Age and Make of Cars





Lean is not
**traditional
productivity**
(Time and
Motion
Study).



Lean Does not mean **Mindless Cost Cutting.**

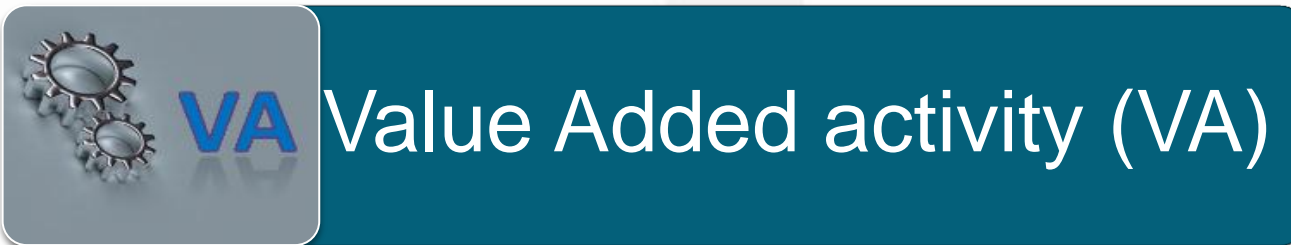


Lean Does not mean **L**ess **E**mployees **A**re **N**eeded.

Lean Today

- Beyond **manufacturing**,
- **Logistics** and **distribution**,
- **Services**,
- **Retail**,
- **Healthcare**,
- **Construction**,
- **IT**
- **Maintenance**, and even
- **Government**.

Any Activity Can Be Divided Into Two Categories



Three conditions for VA Activity



Customer is willing to pay



Change, transformation, conversion is taking place



First time right as per customer requirement

Anything other than VA is WASTE.

8 Wastes that kills your organization

Waiting

Overproduction

Reject / Rework

Motion of employees

Processing Unnecessary

Inventories

Transportation

Underutilized human
potential - skills, talents,
and ideas

Transportation

Inventory

Motion

Waiting

Over Production

Over Processing

Defects

Skills

Lean Tools

- Five S – Visual Management
- VSM – Value Stream Mapping
- Kaizen / Kaizen Blitz
- Flow – Spaghetti Diagram
- Cell Manufacturing
- Kanban – Inventory Control
- TPM – Total Productive Maintenance
- QCO – Quick Change Over
- Poka Yoke – Mistake Proofing
- Hijeunka – Level Scheduling
- Standard Work