

# Lean Kaizen Business Consulting

## A Lean Way of Doing Business

*Become a least cost producer with  
world class Quality & Delivery*



*Key to the future Survival*

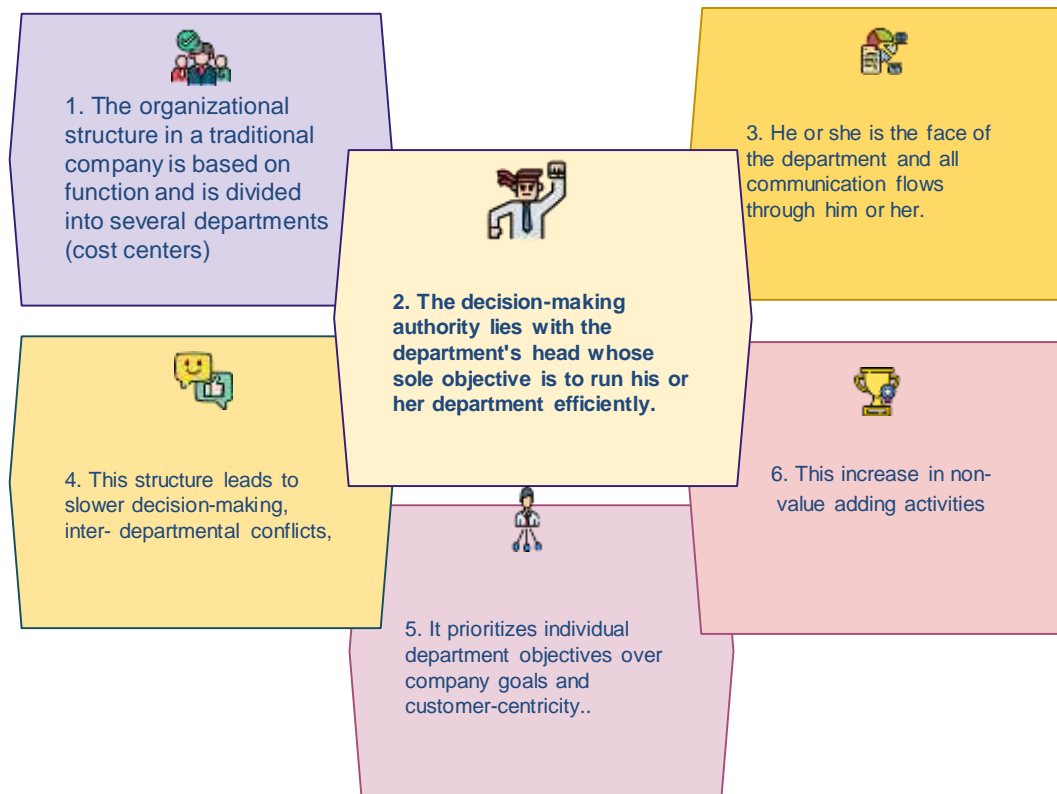
Lean thinking defines value as providing benefit to the customer; anything else is waste.

-Eric Ries

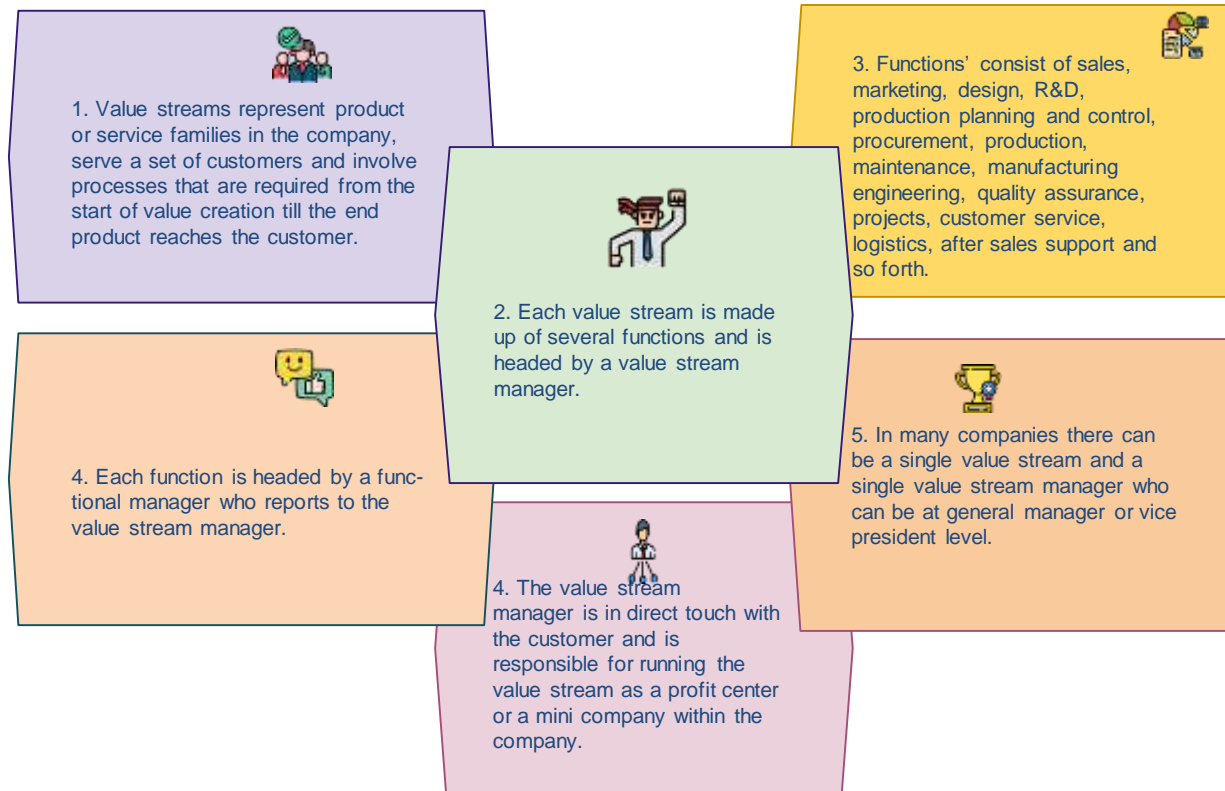
A Journey to World class organization.....



# A Traditional Company



# In lean companies, departments are replaced by value stream



# Create Flow

Once the value streams have been identified, the next step is to ensure a smooth flow of each activity in the value stream. This requires removal of obstacles and bottleneck processes so that the time taken in the value stream is as low as possible.

1

The bottleneck cells or processes are the one that have the lowest production capacity. This is the process that determines the output of the value stream. The lean and kaizen activities are first focused on this process so that a smooth "flow" without waste can be created.



2

The bottleneck process is that process in the value stream that has minimum production capacity per hour and determines the output rate of the value stream.



3

The bottleneck processes can be like waiting for decisions, review of work done or queuing of material from a faster process. The bottlenecks should be scrutinized to identify the issues so that corrective action can be taken to increase the output.



4

Next, we need to reflect on which process steps are non-value adding and can be eliminated or replaced, where distance can be reduced from one process to next



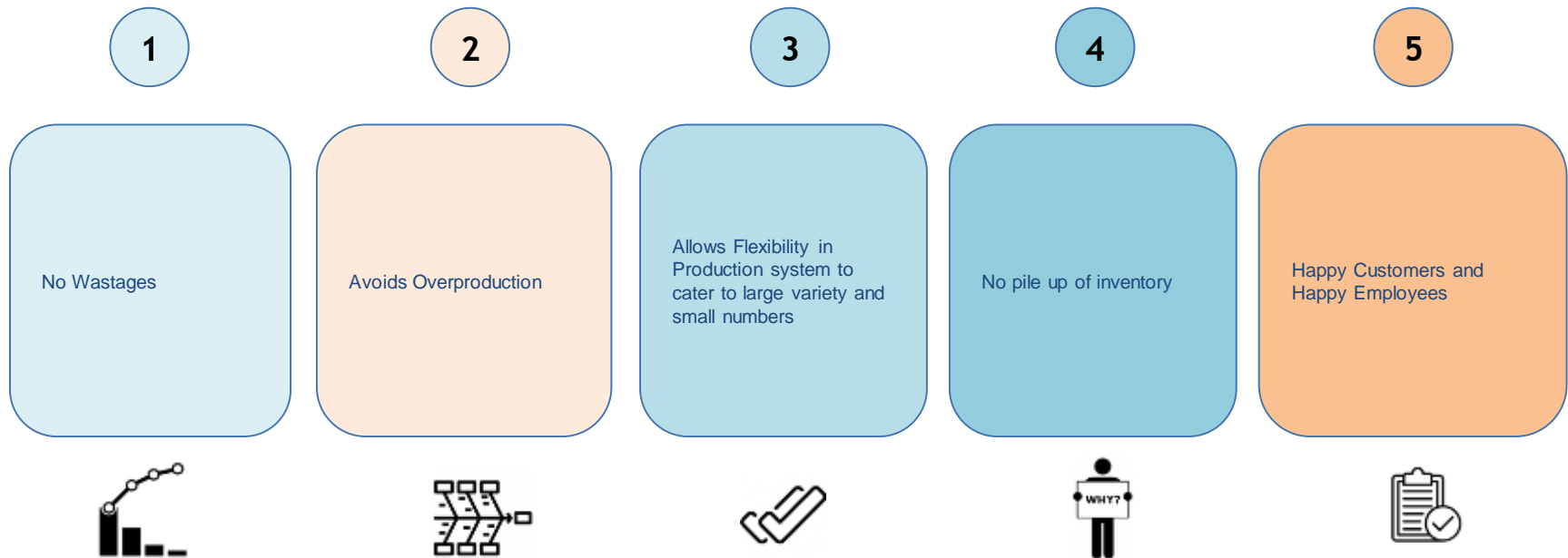
5

Where there is production loss from changeover time, scrap, rework or breakdowns that prevents the value stream from serving customer needs.



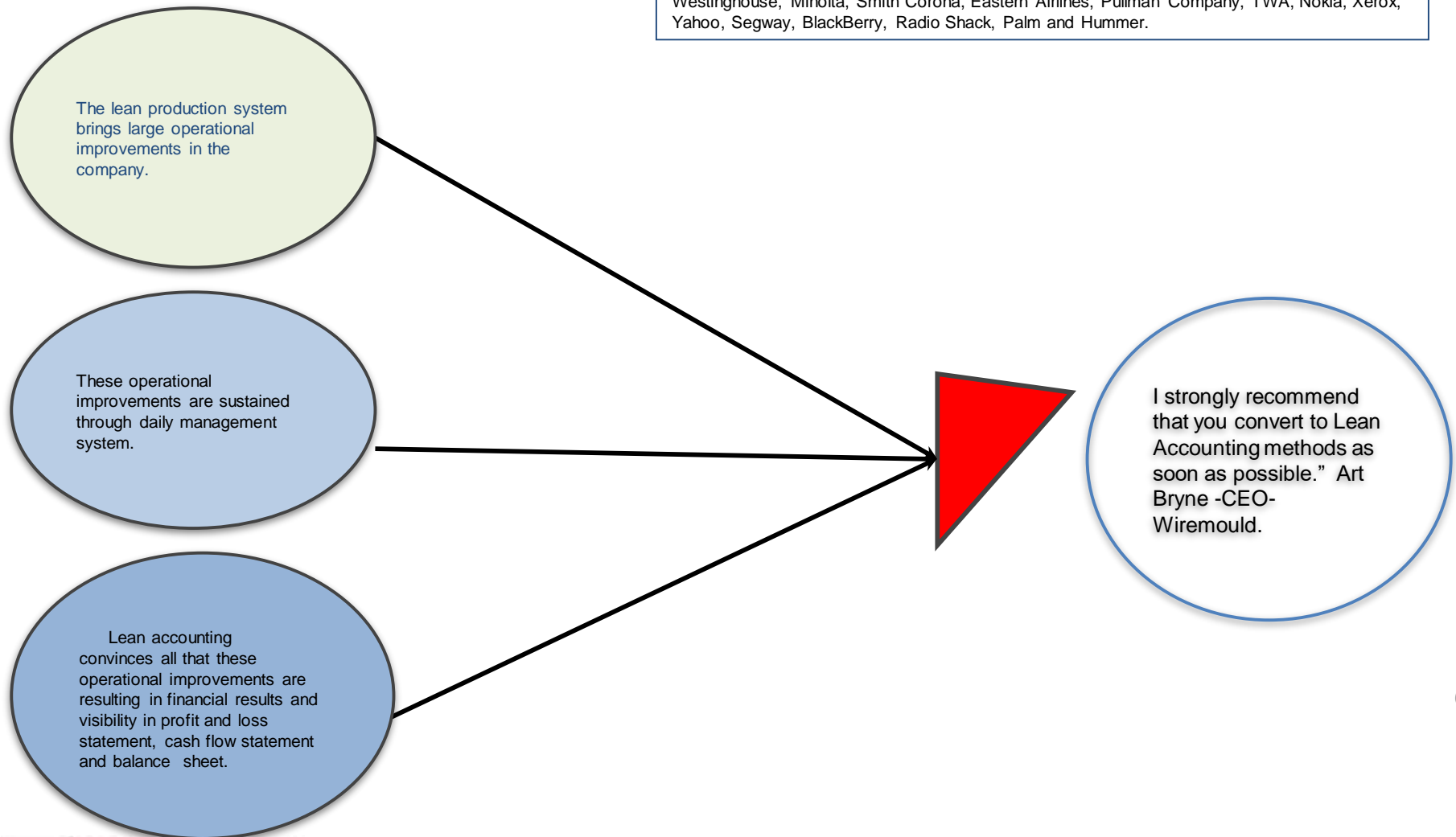
# Create Pull

Establishing a 'pull system' is an important step toward elimination of waste and avoiding excessive inventory in warehouses. Instead of forecasting demand, tools like kanban and supermarket allow companies to produce as per customer demand or pull.



# Implementation of the Lean Production System, Daily Management System and Lean Accounting in One Road Map

Once World leaders the losers are Polaroid, Pan-Am, Compaq, GM, Kodak, HMV, Westinghouse, Minolta, Smith Corona, Eastern Airlines, Pullman Company, TWA, Nokia, Xerox, Yahoo, Segway, BlackBerry, Radio Shack, Palm and Hummer.



# Why Do We Need External Expertise to Implement Continuous Improvement Tools?

## Managers of the company



- The managers of a company are well versed with the company's product technology and are expert in their fields.
- Their priority lies in production and they remain occupied with daily firefighting to tackle operational issues.

## External Experts



- The change agents need to commence the process of implementation, and an external expert can play a significant role in assisting with this by inculcating confidence that it can be done, and it is possible while simultaneously laying out a road map to show how it is to be done.
- He or she will be able to share success stories from his or her past domestic and international experiences in the industry to gain trust of top management and functional teams.
- An external expert will have experience in the implementation process and be aware of challenges and obstacles that could obstruct the implementation and the solution to deal with them to lift up demotivated employees to continue on the lean journey.
- He or she will be able to give full attention to improvement activities and bring in a culture of "change management".
- The external expert will give proper guidance and make the transition and overall lean implementation journey smooth for the company.

Hence, it is advisable to use the services of an external expert for faster implementation of the lean production system, daily management and lean accounting tools in the company.