Eliminating the World’s Shipping Damage

Case Erecting
Case Sealing
Stretch Wrapping
Conveying
Lean Objective at Lantech
to Accumulate Competitive Advantage

⇒ Accumulate Process Improvement
⇒ Accumulate Ability to *Hunt Like a Pack*
Tyranny of Chasing the *Next Big Idea*

*Deterioration*, the Enemy of Improvements

First, Managers *Believing* in Supporting the Work

Management System to *Combat Deterioration*
The Journey

**First Growth Stage**
1972 - 1989
First growth stage went through to 1989 then leveled through 1992.
1989 - 1992
The Journey

Lean facilitated growth still happening but it was not the same.

1992 - 1999
The Next Big Ideas

⇒ Acquisitions
⇒ Global Expansion
⇒ Product Expansion
Revelations . . .

Innovation
Process Improvement

Performance/Quality Erosion
⇒ Management Accountability
Big Idea

⇒ Get Some Help
Back to the Floor

Electrical Panel Cell
Back to the Floor

Labels
Seeing and understanding the work is harder than it looks.

Does it really take the CEO to get rapid support to the operator?
Back to the Floor

Paint Line
Huge number of variables attack the process every day.

Operators and Team Leaders can’t control many of those variables.
The System

I. BUSINESS ISSUES: Quality, May - Knowledge, Skill, Culture are not improving at an acceptable rate.
   - We are losing out on past goods and will not get
   - We are stuck in the long run of fire fighting vs fixing root causes
   - Plenty of direction but little completion.

II. WE NEED A Strong Management System
   - Helps to gain through management quick response
   - Allows for improvement over time with time stand up from firefighting
   The two jobs of management vs leadership which is setting direction & getting others to follow.

III. MANAGEMENT SYSTEM CONCEPTS
   - Daily Operating Principle the hub to mission and improve our business
   - VS looking for a silver bullet to save the day.

IV. Each team needs a clear picture of quality in their area
   - VISUAL MANAGEMENT
     - Identifies Current Status
       - Active, Green out of
     - Identifies Improvement Targets
       - Planned actions and Green Studies
     - Actions to put it back to Standard
     - Actions to get back to baseline & get it back to Standard

Support to be provided to managers in their areas minimizing disruption to their work.

- W - Work
- A - Arisen
- R - Reuse
  - Support Managers in evaluating if 70% person in place can
  - Support The Area Today

Start at end of value added process & work back wards

Principles:
- If management work is not defined - 100% of work becomes firefighting

- W must be deliberate (standardized) on how we manage the current condition
- So we can use time to do improvement

Management happens at the work place.
- It is not a reporting process
- How they people present and decide back process there.
- Communicate between managers to line up there.

Standard process at each step:
  1. Observe Current Condition - Notice and areas.
  2. Discuss Problems & Matrices timeline standard with next action issues.
  3. Identify support needed or next action.
  4. A way to capture who's initiates what by where.
  5. Follow up on activities from prior days with follow up on today
  6. Level best plan and when it is needed.

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So . . .

We need a system that:

Holds gains through management’s quick response, allowing for improvement from the freed up time from fire fighting.
First Job of Management is to Hold Performance. If Done Well, Provides Time for Improvement.
Standardized Work

React to Environmental Changes (Abnormalities)

Standardized Management

to support the operator & their...

Visual Management

self identifies...

is reacted to with certainty by...
WAR Management Cycle

6:00 – 6:15 AM
Operators ➔ Team Leaders
React to Environmental Change

6:15 – 7:00 AM
Team Leaders ➔ Factory Leaders
React to Environmental Change

7:00 – 8:00 AM
Factory Leaders ➔ Mfg Manager
React to Environmental Change

9:40 – 9:50 AM
Mfg Manager ➔ Senior Leadership Team
React to Environmental Change
Maintain the Current Condition

Andon

Improve the Current Condition

Action Window = 24-72 hrs

Issue | Action | DRI | Due
--- | --- | --- | ---

Corrective Action

Actions in response to a “trip wire”

Actions to achieve goals

Quality Loop Board

A3

KTM L1

KTM L2

KTM L3

KTM L3

KTM L3

KTM L3

KTM L3

P

D

C

A

P

D

C

A

Lantech®
Management is what happens standing there at the board!

⇒ Only deviations or things requiring support are discussed.

⇒ Deviations and problems have action attached with who does what by when before meeting is over.

⇒ Is the next step by the correct area or person?

⇒ Is the next step respecting problem solving and the operator?

⇒ Do we have immediate support for operator/customer?
Results in

Cross functional support every morning.

Priorities adjusted daily cross functionally.

Clarity of Responsibility – who decides what.
The Impact

Improvements accumulate.

Significant directional changes can occur quickly.
Improved Performance from Maintaining Current Condition
It’s About the Work!!

⇒ LEARNING to SEE it

⇒ LEARNING to DESIGN it

⇒ LEARNING to MANAGE it
If Lean improvements are not impacting your income statement and you have little time for improvement work, maybe you don’t have an improvement problem. **Maybe you have a deterioration problem.**
Next Steps

⇒ Articulate your most pressing business need
⇒ Turn yourself into a believer
⇒ Go to where the work is being done and observe
⇒ Improve and standardize the work YOURSELF
⇒ Watch what happens to what you improved
⇒ Create a daily management system connecting the work to the needed support managers
⇒ Read the *Work of Management*
⇒ Buy more stretch wrappers!
The Work of Management
A Daily Path to Sustainable Improvement

by Jim Lancaster
with Emily Adams