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LEAN TOMBSTONES

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We use Lean, the grand technology for accelerating product and information flows, to reveal problems which are blocking inventory and cost reduction, and holding back productivity and customer service increases. The famous image of « lowering the level of water in the lake to make the rocks appear », the water being inventory and the rocks being problems, doesn't need to be applied in many companies. The problems are so enormous that huge tombstones are already poking out of the water!

In my experience, *four standard tombstones or problems as big as a house* block the implementation of Lean:



1. The technical tombstone. Production equipment doesn't run correctly, usually because not enough maintenance is performed; the company prefers instead to make parts. In one company in the mechanical industry, which had poorly performing machining cells, when things ran, the shop rushed to make as many parts as possible because the operators feared the next big breakdown which could idle the cell for several days.

In this company, 4 hours of maintenance were performed, on the weekend, to avoid hindering production. At Toyota, 4 hours of maintenance are performed *every day*, usually between shifts. Newspaper headlines tell us that Toyota is beating Ford and soon General Motors in market share.... Could properly running equipment be playing a role in this success?

2. The shortage tombstone. One company I encountered, attracted by Lean thinking, wanted to implement it to accelerate their flows. The only problem: the 800 shortages, listed on a report covering 13 pages.

Another company decided to pull production with Kanban. To avoid shortages, it made its suppliers place consignment inventory of 1 to 3 months on site. There's something paradoxical about creating inventory to be able to practice an approach whose No. 1 evil is inventory!

In effect, Lean in itself doesn't have much to say about planning or Anticipation. The first rule of Lean even forbids Anticipation: no production is allowed before the Kanban signal is received.

Obviously that's not enough planning. A minimum of Anticipation is necessary to know how many Kanban signals are going to be received by day or by week in order to plan component and capacity availability. Even a simple Master Production Schedule, with not much more than the production rate of the family by week or by day, will avoid or destroy the shortage tombstone.

Let's be clear about one thing: Anticipation doesn't mean inventory. On the contrary, we want to replace inventory with information; it's the essence of Anticipation.

3. The human resources tombstone. With most Top Managers as well as workers believing erroneously that the objective of Lean is to reduce people, the human resources tombstone impedes many Lean implementations. The truth is the opposite: Lean *depends* on people for it to work. Laid-off or fired people—or robots—aren't going to generate many ideas for improvement. Lean aims at eliminating non-productive tasks, not the people doing them. Particularly inasmuch as these same people are usually the ones who have good ideas for increasing the productivity of their tasks..

Asking workers why there is lateness, and asking suppliers why they deliver poorly, is a better strategy. People aren't the tombstones, the wasteful process is.

4. The accounting tombstone. Two companies I know of « pay » the Production Department for its deliveries to the Sales Department, which is in a different legal entity. In addition, in one of the companies, setup times are long.

Is there a better motivation for producing lot sizes as large as possible? The Production Department is not re-billed for the excess quantities produced with respect to weekly demand. Its 'productivity' measured by the accounting system is high. It doesn't 'waste' production time to try to reduce setup times.

Obviously all that is false. The tombstones of erroneous costs and erroneous 'results' generated by our traditional accounting systems, are a high barrier to the implementation of Lean.

In your company, are the problems rocks or tombstones? Are you working in the middle of an industrial Stonehenge? If that's the case, it's time to think about the reasons for that and how to bring in some light: for example, by starting a Lean pilot between the tombstones.

