

## **Is Your Plant Lean ... Or Is It Mostly Paid Lip Service?**

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The global recession and mounting budget cuts have put pressure on organizations like never before to make their operations leaner and more competitive. **Lean manufacturing** is a popular operations management system that's been proven to generate quantum leaps in performance when applied in a comprehensive way as exemplified by the legendary "**Toyota Production System (TPS)**". Companies are looking for practical initiatives such as lean that can enhance the long term profitability of their firms through improvements in productivity, inventory turns and overhead costs.

But how do you know where to start or the next steps to take in order to get the most out of your lean initiatives? The first step is to conduct a lean assessment of your plant to determine the current status and relative "leanness" of your operation. Once you have determined your current state you can properly plan your future state and prioritize improvement opportunities so that your targets are realized within the shortest lead time possible.

### **What The Lean Assessment Does For You:**

Whether you're starting a new lean transformation or contemplating "next steps" on your lean journey, the lean manufacturing assessment is one of the most cost effective and powerful tools available for:

- Understanding the state of your operation along a lean transformation path.
- Measuring your lean index and tracking its progress.
- Determining gaps that must be closed to improve your "leanness".
- Identifying and prioritizing improvement opportunities.
- Providing quick information on strengths and weaknesses when evaluating a supplier.
- Establishing benchmarks for performance improvement.
- Learning and applying best practices

### **How To Determine If Your Factory Is Lean:**

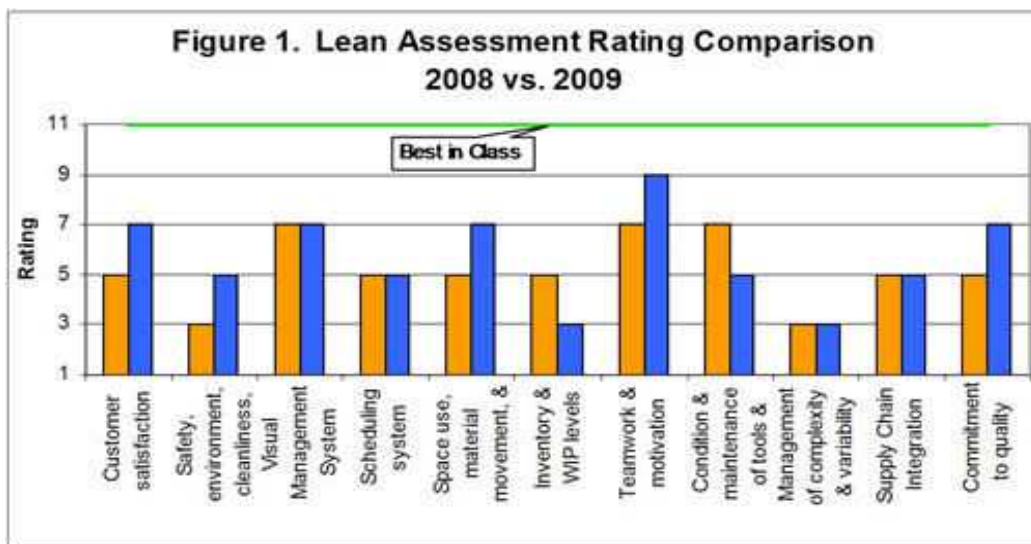
One of the most important goals of TPS is the relentless elimination of waste. In order for improvements to take place, waste (e.g. money, time, space, people, materials, etc.) must be visible to everyone. Superior visual management is one of the great hallmarks of TPS. For example, when a Toyota associate stops the line, an andon board located above the line will light up and display which station the problem occurred in. This makes it obvious to the nearby team leader that an abnormality has occurred and it allows for an immediate response to assist the associate in addressing the issue. A simple glance of the andon board provides an instantaneous status of the line.

To the trained eye a plant tour can reveal a great deal about a company and its degree of “leanness”. So like TPS, the lean assessment places heavy emphasis on visual cues. Lean operations look lean and non lean operations look non lean.

The **Rapid Lean Assessment** is a proven tool for quickly evaluating production facilities and identifying improvement opportunities during a plant tour. It’s based on lessons learned from 100’s of successful applications of the Toyota Production System (TPS) in North America and European operations and it’s been shown to be a reliable indicator of a plant’s strengths and weaknesses. The assessment helps to investigate and measure 11 key areas of manufacturing corresponding to each of the major lean transformation action areas such as: Customer Satisfaction, Visual Management System, Safety & Cleanliness & Order, Scheduling System, Material Movement, & Product Flow, Inventory & WIP Levels, Teamwork & Motivation, and so on. The 11 categories consist of over 200 lean operations attributes that are used for assessing the “leanness” of a plant

**The Lean Assessment Process:**

Prior to the assessment, the rater (s) becomes familiar with the general background of the plant by reviewing the company website and / or brochure, annual reports, and other relevant documents. The next step is to tour the plant to observe various aspects of the plant operation, talking to associates, leaders and managers, and looking for evidence that the plant adheres to best practices. Immediately after the tour observations and impressions are recorded and worksheets are completed assessing the plants “leanness”. The assessment is followed with a report that includes the completed scorecard and charts indicating the current “leanness” of the plant (see Figure 1 for a sample chart). The report also contains key improvement opportunities and best practices needed to further integrate lean into the organization. The assessment results and recommendations are then presented to management for review and approval.



In the spirit of continuous improvement it's vitally important to periodically reassess the leanness of your factory and track its progress. As improvements are made and targets achieved new priorities will emerge for the subsequent improvement cycle.

Although the lean assessment is no substitute for an in depth analysis, it is an affordable way to quickly understanding your organizations strengths, weaknesses and opportunities for improvement.

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*Based in Livonia, MI, Productivity Engineering Services was founded in 1991 as an independent Industrial Engineering and Operations Management services firm helping companies achieve operational excellence. For more information about PES or this topic, visit [Productivity Engineering Services](#)*

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