LEAN MANUFACTURING

WHAT IS LEAN MANUFACTURING?

A way to **"Eliminate waste" "Improve Efficiency"** in a manufacturing process

LEAN GOAL

• Improve quality

• Elimination of waste

• Reduce time

• Reduce Total cost









WHAT IS WASTE?

Waste is anything that happens to a product/service that "does not add value" from the customer's perspective.



TYPES OF WASTE

Non-value added: Hold all waste in "CLOSED MITT".

- Complexity
- Labor
- Overproduction
- Space
- Energy
- Defects
- Materials
- Idle materials
- Transportation
- Time

COMPLEXITY

- 1. Poor Communication
- 2. Excessive Approvals
- 3. Excessive Paperwork



LABOR

- 1. Excessive Labor
- 2. Inconsistent Working Method
- 3. Doing Unnecessary Tasks



OVERPRODUCTION

- 1. Wrong inventory management.
- 2. Customer needs not understood
- 3. Desire to utilize full employees

performance until finishing raw materials

SPACE

- 1. Excessive equipment
- 2. Poor Layout







ENERGY

- 1. People using more energy
- 2. Machines using more energy



DEFECTS

- 1. Poor quality system
- 2. Inadequate Training/Education
- 3. Customer needs not understood
- 4. Poor information/Communication



MATERIALS

- 1. Not understanding the cost
- 2. Customer needs not understanding
- 3. Lack of standard

IDLE MATERIALS

- 1. Poor suppliers
- 2. Long Process Time





TRANSPORTATION

- 1. Poor plant layout
- 2. Large storage areas
- 3. Unplanned Movements



TIME

- 1. Waiting for material
- 2. Doing Unnecessary tasks
- 3. Gossips



PRINCIPLES OF LEAN MANUFACTURING

- Production of value
- Optimizing the value stream
- Converting the process to flow
- Establish pull
- Perfection of all products, processes and services.



PRODUCTION OF VALUE:

- Value It is what the customer is willing to pay for.
- Important to discover the actual needs of customer.

MAPPING THE VALUE STREAM:

- Overall goal To utilize the customer's value as a reference point and locate areas that correlate with their values.
- Any activities and processes that do not add value to the end customer <u>waste</u>.
- Two categories of waste- necessary and unnecessary wastes.
- Pure waste should be eliminated.

CREATING FLOW:

• After removing waste, ensure that flow of remaining step will run smoothly without interruption.

ESTABLISH PULL:

• The production is authorized (pulled) by customer, as opposite to a push system where the finished goods are pushed to the customer.

PERFECTION:

• Constantly identify and remove any kind of waste along the value stream to achieve perfection

IMPLEMENTARY STEP OF LEAN MANUFACTURING

- Identify the fact that there are wastes to be removed.
- Analysing the wastes and finding the root causes for these wastes.
- Finding the solution for these root causes.
- Application of these solutions and achieving the objective.

LEAN TOOLS

- 5S
- Continuous flow
- Just In Time
- Kaizen
- Kanban
- Value stream mapping



How does 5S help?

• <u>Helps in saving time</u>

Saves time in looking for items/tools

• <u>Improves workplace condition</u>

Clean, spacious work centres help in increasing safety.

• <u>Helps in increasing productivity</u>

Unnecessary items and dirt get in the way of employees and negatively impact productivity.

• <u>Helps in eliminating other waste</u>

Waste of motion, transport and waiting.

CONTINOUS FLOW



HOW DOES CONTINUOUS FLOW

• <u>Helps in establishing the flow</u>

Reduces batching, establish process flow, minimising waiting between steps, improves quality and reduces lead time.

• <u>Helps in eliminating</u>

Waste of inventory and waiting.

• <u>Helps in increasing the profit</u>

Continuous flow in production cycle helps in increasing the production with minimal waste which in urn increases the profit

JUST IN TIME

• Production is done as per the customer demand



HOW DOES JUST IN TIME HELP?

• Effective in reducing the inventory level

As the production is done after receiving the customer order, inventory storage is not required. Hence, reduces storage space.

• <u>Helps in eliminating</u>

Waste of overproduction, idle time, and inventory.

KAIZEN



HOW DOES KAIZEN HELP?

• Helps in making assigning responsibility

Helps in providing strategy where employees work together proactively to achieve regular, incremental improvements in the manufacturing process.

• <u>Helps in eliminating wastes.</u>

Combines the collective effort of the employees of a company to create an continuous process of eliminating waste.

KANBAN (PULL SYSTEM)



HOW DOES KANBAN HELP?

• <u>Helps in preventing overproduction and over ordering</u>.

Replenish only what has been used and reorder based on rate of consumption, delivery frequency, and minimum order quantity.

• <u>Helps in reducing</u>

overall inventory, and order lead time.

• Increase customer satisfaction

High quality goods is achieved as the goods are produced as per the customer order.

VALUE STREAM MAPPING



HOW DOES VALUE STREAM MAPPING HELP?

• <u>Helps in mapping the flow of the process</u>

Helps in mapping the current and future state of value stream

• <u>Helps in streamlining the process</u>

Helps you quickly visualize your entire process, identifying bottlenecks where the processes can be streamlined or improved.

• <u>Helps in eliminating the wastes</u>

Easy to identify the wastes

ADVANTAGES OF LEAN MANUFACTURING

- Waste elimination
- Work place standardisation
- Effective plant layout
- Enhanced quality
- Increase the productivity by 30% from the existing level
- Reduction the risk of non-compliance
- Eliminate late delivery

THANK YOU