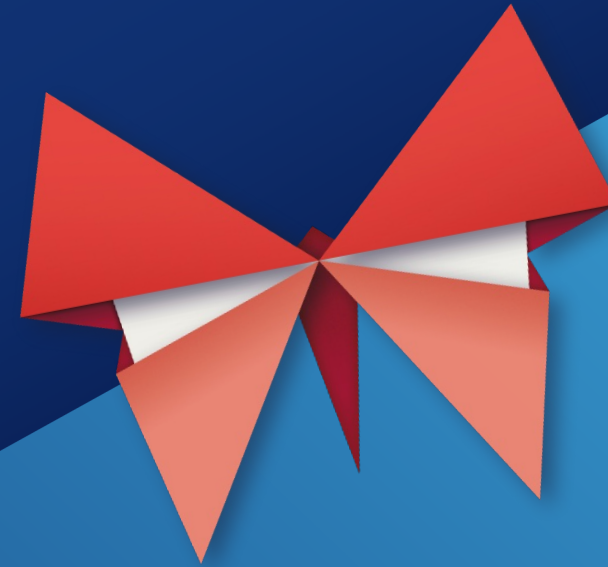


# 7 KEY CAPABILITIES for a Supply Chain Lean Transformation

(E2E, Demand Driven, Agile & Lean)

A New Paradigm for achieving Breakthrough Results and Competitive Advantage in Customer Service & Profitability



Webinar & White Paper



GEMBAKAIZEN™

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# Why we Need Resilient E2E, DD, Agile & Lean Supply Chains

## 7 Key Capabilities for a Lean Resilient Supply Chain Transformation

### 1. Strategic E2E Mapping of the Supply Chain

- Map the E2E Supply Chain and Learn to See the Logistics Loops
- Develop an E2E Lean Vision
- Prioritize a Roadmap
- Develop a Business Case

### 2. Implement a Pull Planning System

- Implement a Demand Driven Pull S&OP
- Implement Demand Driven Pull S&OE
- Implement Levelling
- Implement Synchronisation

### 3. Create Material & Information Flow

- Create Flow in Production
- Create Flow in Warehouses
- Create Flow in Transportation
- Streamline the Information Flow

### 4. Increase Resource Efficiency

- Improve OEE in Production
- Improve Efficiency in Warehouses
- Improve Efficiency in Transportation
- Modernize with Digitalisation & Automation Technologies (but respecting the Pull Flow System)

### 5. Reinforce the KAIZEN™ Culture

- Engage Top Management in E2E Supply Chain Transformation
- Implement Daily KAIZEN™ in All Natural Teams
- Learn how to do Focused KAIZEN™ Events
- Implement a Strategy Deployment Process
- Educate & Train with a KAIZEN™ Lean Academy

### 6. Increase Supply Chain Resiliency

- Explore the Pull System to Fight Instability and become more Resilient
- Develop a Supply Chain Digital Twin Model to Gain more Visibility
- Install an Oobeya Room for Visual Risk/Crisis Management
- Implement a Tiered Help Chain Process

### 7. Pilot, Assess, Benchmark & Scale

- Engage in Pilots & Benefits Tracking
- Develop and Use an Assessment Maturity Model
- Do Internal & External Benchmarking
- Go Quickly with the Deploy & Scale Process

## KEY CAPABILITY #5

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# Reinforce the KAIZEN™ Culture

- Implement Daily KAIZEN™ in Natural Teams (the Team of Teams Organization)
- Learn how to do Focused KAIZEN™ Events
- Implement a Strategy Deployment Process
- Educate & Train with a KAIZEN™ Lean Academy

# Reinforce the KAIZEN™ Culture

## Engage Top Management in E2E Supply Chain Transformation

All successful Lean Transformations have been led by an Available and Engaged **Management Team**

All successful **Management Teams** participated in KAIZEN™ Events / Projects

### TOP MANAGEMENT ENGAGEMENT:

1. Participate in E2E Strategic Mapping Workshops
2. Take Leadership in Execution
3. Participate in "KAIZEN™ Lean Academy" specific Programs for Top Management
4. Implement "Daily KAIZEN™" in own Natural Teams
5. Learn & Implement the "Strategy Deployment" Process

**Note: Lean Managers are not the Main Actors in the Transformation**

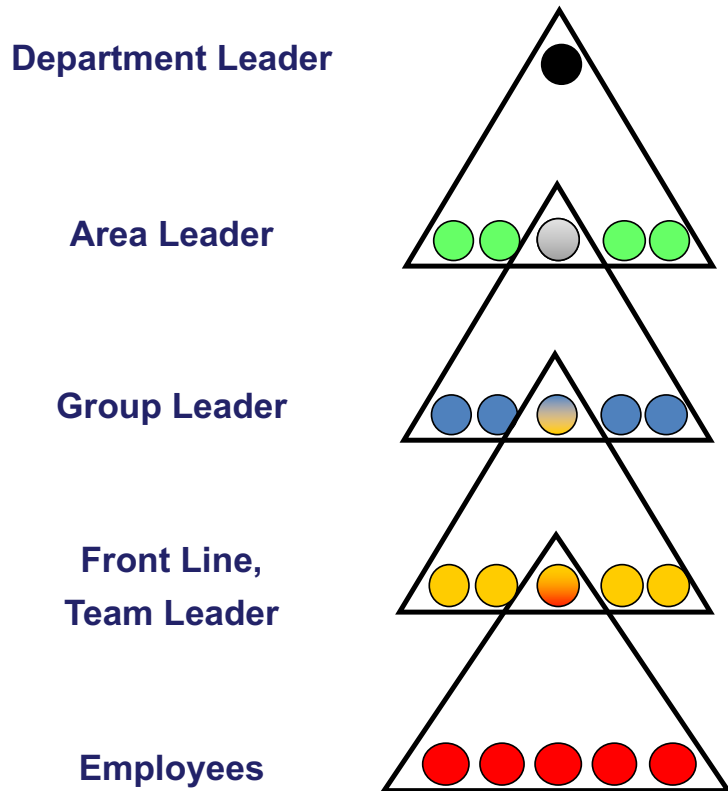
***"ONLY STRONG MANAGEMENT LEADERSHIP WILL GET THE ORGANISATION ON THE NEW PATH... I UTILISED MY AUTHORITY TO THE FULLEST EXTENT"***

TAIICHI OHNO, "EVOLUTION OF THE TOYOTA PRODUCTION SYSTEM"

# Reinforce the KAIZEN™ Culture

## Daily KAIZEN™ System

To be Implemented in all Natural Teams to Drive Leadership & Problem Solving Culture



- **Involve all Employees in Frequent KAIZEN™ Action (improvements)**
- Focus on KAIZEN™ Leadership by the Team Leaders
- Control Key KPI's on a Frequent Basis and Act Immediately with Countermeasures
- Facilitate Implementation of Better Work Standards
- Create a Culture of Continuous Improvement.
- Change Behaviors of Natural Teams
- **Daily KAIZEN™ is for all Teams at all Levels:** there is a misconception that Daily KAIZEN™ is only for the shop floor
- Any department that has an objective goal, process-based workflow that produces any type of output should be considered for Daily KAIZEN™
- Daily KAIZEN™ is ideal for team-based departments (think of it as a team sport)

**WAY TO DEVELOP THE PEOPLE, SOLVE PROBLEMS & AND SUSTAIN IMPROVEMENTS**

# Reinforce the KAIZEN™ Culture

## Daily Performance & Problem Solving Board - Standard Layout

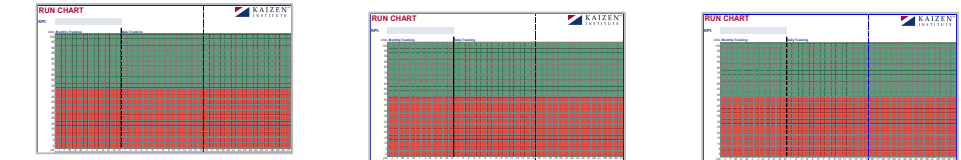
DAILY RESULT

Are we winning or losing in 3 seconds?



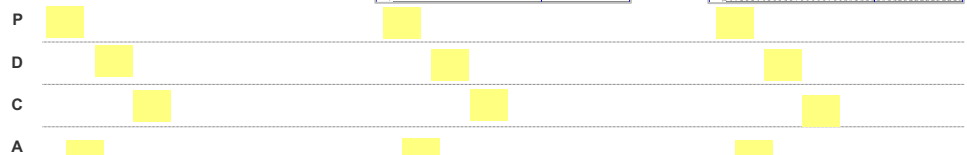
TREND OVER TIME

How does the metric behave over time?



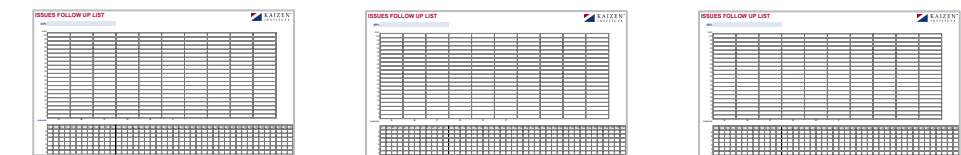
DAILY COUNTER-MEASURES

What action will we take daily?



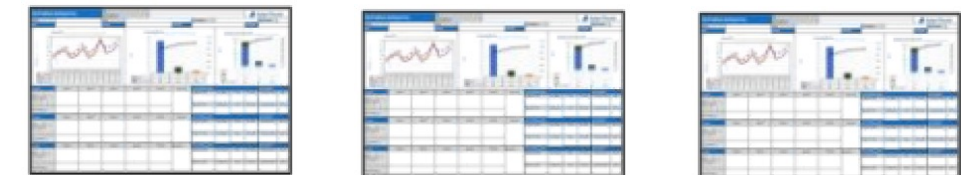
PARETO OF ROOT CAUSES

What are the main causes over time?



PROBLEM SOLVING

Systemic problem-solving and countermeasures to improve



### All Natural Teams should be able to answer the Following Questions:

- Are we winning or losing in 3 seconds?
- How does the metric behave over time?
- What action will we take daily?
- What are the main causes over time?
- How can we eliminate Systemic Problem with Effective Countermeasures to improve

### Other KAIZEN™ Culture Skills:

- Learn how to do Focused KAIZEN™ Events
- Implement a Strategy Deployment Process
- Educate & Train with a KAIZEN™ Lean Academy

# Reinforce the KAIZEN™ Culture

WHY do we need DAILY KAIZEN™... from Firefighting to KAIZEN™ Mindsets (original KAIZEN™ Books)

Additional Reading Material !



Top Management

Middle Management

Front Line Management

Team Members

## From the traditional management model where **Firefighting** is common

- Recurring Problems which are solved again and again
- Surprises, Delays and Month End Pressures
- High amounts of Muda (Non Value Added tasks)
- Inability to sustain Improvements



Top Management

Middle Management

Front Line Management

Team Members

## To a **KAIZEN™** Improvement Culture with the following Behaviours

- Problem Solving with Visual Management
- Standardisation
- Improvement
- Gemba Team Member Development (instruction and relationships)

**GOAL = STEADILY INCREASE THE PORTION OF THE ORGANISATION THAT WORKS ON IMPROVEMENT**

## CONCLUSIONS & NEXT STEPS

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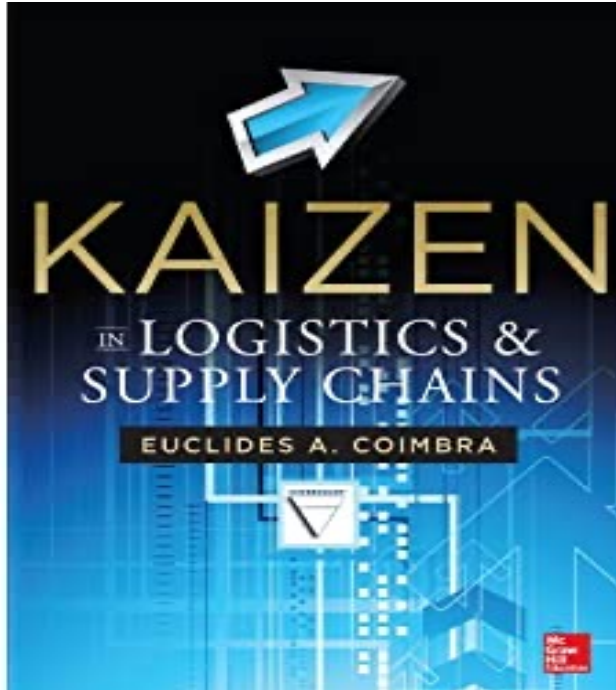
# How can I Learn More

- Reading Materials
- Learning by Doing - Select & Start a **Pilot** Strategic E2E Value Stream Mapping
- Get Support from Kaizen Institute (or another Sensei)
- Make a Performance Based Partnership with the Sensei

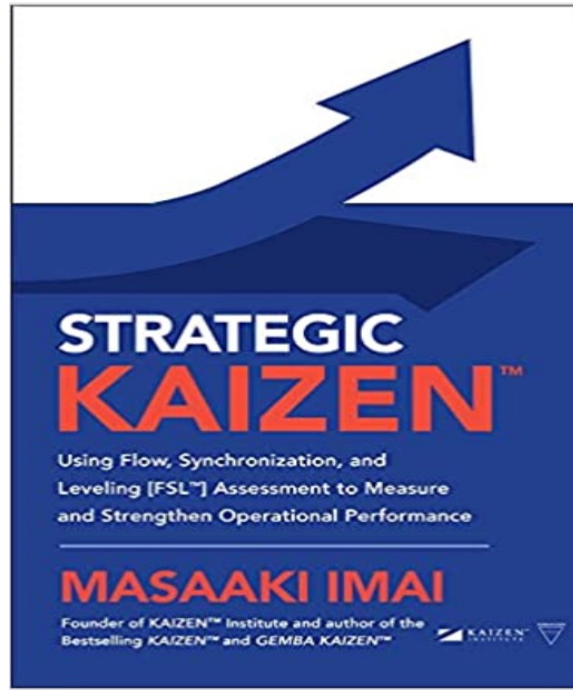


# How can I Learn More

Learn all the Details with KAIZEN™ Books

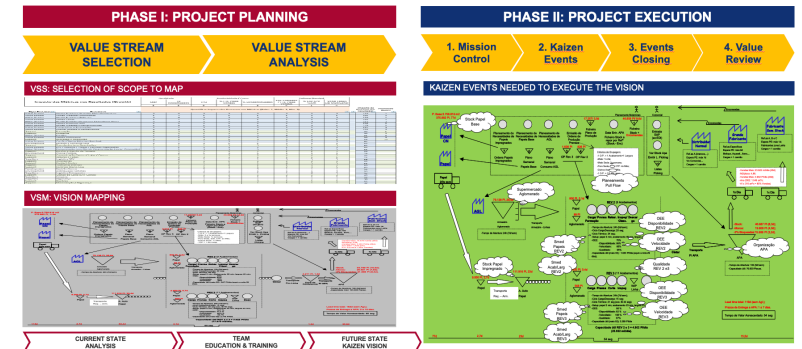


The Global Reference Book in Supply Chain Transformation



The Last Book about Strategic Assessment of Supply Chains

- Reading Materials
- Learning by Doing - Select & Start a Pilot Strategic E2E Value Stream Mapping
- For more information contact [ecoimbra@kaizen.com](mailto:ecoimbra@kaizen.com)



**WANT TO LEARN MORE: ORDER THIS BOOKS...**

# How can I Learn More

## Develop a Successful Pilot Project (to serve as a Beacon)

CASE	COMPANY	PROBLEM	SOLUTION	RESULTS
Plant Design		<ul style="list-style-type: none"> <li>Old line with a lot of material and operator movements</li> </ul>	<ul style="list-style-type: none"> <li>New Layout and line design with 50% less space</li> <li>Mizusumashi Standard Work - 20% increase in Productivity</li> </ul>	<ul style="list-style-type: none"> <li>Quantifiable benefits 3,300,000 Euros / year.</li> <li>Total investment: 1,125,000 Euros.</li> <li>R.O.I.: 4 months.</li> <li>State-of-the-art factory design</li> </ul>
Flow Improvement		<ul style="list-style-type: none"> <li>Line Design not Flexible &amp; Isolated Islands</li> <li>Low Frequency Logistics</li> <li>Central Push Planning System</li> </ul>	<ul style="list-style-type: none"> <li>One Piece Flow Shojinka Lines</li> <li>Creation of Flow in Internal Logistics</li> <li>Pull Planning System with Levelling</li> </ul>	<ul style="list-style-type: none"> <li>-52% internal defects rate</li> <li>36% increase in Productivity</li> <li>-40% Total Inventory Coverage</li> </ul>
Factory & Planning Design		<ul style="list-style-type: none"> <li>Functional Layout</li> <li>High lead-time</li> <li>Management difficulties</li> </ul>	<ul style="list-style-type: none"> <li>Flow Layout</li> <li>Stock Reduction</li> <li>Standard Work</li> <li>SMED</li> </ul>	<ul style="list-style-type: none"> <li>50% area reduction</li> <li>40% productivity increase</li> <li>89% lead-time reduction</li> <li>38% Setup Time Reduction</li> <li>8% Service-level improvement</li> </ul>
Factory & Planning Design		<ul style="list-style-type: none"> <li>Low Productivity</li> <li>Push Supply</li> <li>High model changeover time</li> </ul>	<ul style="list-style-type: none"> <li>U shape line with frontal supply</li> <li>Pre-assemblies near point of use</li> <li>Pull Supply (With levelling box)</li> <li>Setup Time = 0</li> <li>Standard Work</li> </ul>	<ul style="list-style-type: none"> <li>26% productivity increase</li> <li>52% area reduction</li> <li>21% to 0% ergonomics' critical stations</li> </ul>

- Get Support from Kaizen Institute (or another Sensei)
- Make a Performance Based Partnership with the Sensei
- For more information contact [ecoimbra@kaizen.com](mailto:ecoimbra@kaizen.com)



**Our Brand Promise**

**Authentic**

We introduced the KAIZEN™ methodology to the world in 1985

**Practical**

We make our customers experts in their Gemba

**Holistic**

Our methods touch everyone in the organisation working for the same goal and sharing the same KAIZEN™ Spirit

**Worldwide**

Our expertise, from helping the world's leading organisations, can be applied to any situation

**WE HELP LEADERS TO**

**ACHIEVE DREAMS OF PERFORMANCE IMPROVEMENT**

**IMPLEMENT CONTINUOUS IMPROVEMENT CULTURES**

## LEARNING BY DOING WITH A SUCCESSFUL PILOT PROJECT

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