

Case Studies

Below are some examples of recent case studies undertaken by Lean Business Systems.



The Problem

A producer of Mobile Screening and Crushing equipment for worldwide markets Fintec shareholder consisted of the company's directors and Sandvik a Swedish conglomerate. Fintec have embraced Lean and implemented a kanban programme to control the production of made parts. This however was not having the desired impact on its primary strategic goal of increasing the operational profits.

The Solution

In discussion with Lean Business Systems it became apparent to the Fintec Management team that the benefits of Lean and the attainment of their strategic goal could only be realised through committing to and resourcing a Lean Transformation. Fundamental to a Lean Transformation is setting strategic goals, laying out the vision, mission, values, critical success factors and the strategic areas where improvement is needed. Essential to a Lean Transformation is alignment where resources are prioritized, and the action plan is communicated to ensure understanding and commitment verification. Critical to the success of a Lean Transformation are regular progress reviews, to verify what is working, what's not working and ensuring that help is provided at the right time to make success inevitable.

The Result

Throughout the application, tools such as Brainstorming, Process Decision Program Charts, Interrelationship Diagrams, Value Stream Mapping and open and frank discussions were used. Fintec management team has now identified and resourced the activities and projects to realise its strategic goals. The benefits are starting to materialise, output has increased, inventory has been reduced, and margins steadily improving. This has been acknowledged by Sandvik who recently increased its shareholding in the organisation.

The Future

While Fintec has achieved much, their journey has only begun, many of the improvements to-date have been as a result of Stabilisation, the first phase in a Lean Transformation. More potential remains to be unlocked through the roll out of the roadmap that has been agreed with Fintec Management team.



The Problem

Shannon Coiled Springs (SCS) manufacture wire products, springs, wire shapes and wall ties used in cavity walls in the construction industry. In 2005 they found themselves under pressure from customers to fulfill demand and from employees to improve conditions, as the stress of fulfilling demand was having repercussions on production. Lean Business Systems were initially engaged to assist with an improvement project on a key piece of production equipment to improve the customer order backlog. The company was involved in several key market areas, but the lack of performance from operations, and the lack of a structured approach to sales meant that the two functions were not working in tandem.

The Solution

Lean Business Systems undertook a project to improve the throughput of the first production machine from 50% to 85% over 90 days. This target was met within 60 days. However, having seen the benefits of the improvement project, Lean Business Systems were engaged to work with the management team to expand the changes beyond the original scope. The first step necessitated a full policy deployment, to ensure that a coherent strategy was established and communicated throughout the organization, It was also necessary to resources the organization. The necessary management structure was put in-place to ensure success. Having set a clear direction for the company in terms of cost, quality and on-time delivery, Lean Business Systems and the Management team focussed on the manufacturing operation. The two key components of the first wave of improvement are the re-layout of production and a program for workplace organisation, known as 5S. In parallel a set of Business Measurements were put in place. These included:

1. A formal revenue plan
2. Regular reporting on new orders booked and orders invoiced
3. A manufacturing output plan
4. An order backlog and late orders metric
5. Monthly P & L reporting.

The company performed well in 2006, but now faces a new set of challenges as the mainstay of its revenue is derived from the construction industry which is now coming under pressure from a price and volume perspective. Lean Business Systems is working with Shannon Coiled Springs to further improve the product cost through automation and to structure the sales organization to export to the UK market. Lean Business Systems are further advising SCS on the project management and structure required to enter the International Medical Device Market.

The Result

Shannon Coiled Springs has matured as an organization. A recent visitor to the plant commented on the dramatic changes, citing the change in attitude of the personnel and the workplace atmosphere as being a dramatic improvement. SCS operates without a General Manager. The people, who required direction previously, now take responsibility for the day to day sales and operations, under the guidance of the owner. The business has turned in good profits. Quality, Cost and Delivery have improved, but continue to be challenged to remain competitive. The leadership team has transitioned from day to day fire-fighting to a much longer term focus. The sales organization has begun to look at international markets for its products, and the company has developed a capability in micro-coiling technology to help transition to more lucrative markets, both at home and abroad.



SANMINA - SCI

The Problem

Sanmina-SCI is a leading EMS provider focused on delivering complete end-to-end manufacturing capabilities and highly complex solutions to technology companies around the world. While Sanmina-SCI consistently achieved extremely high levels of product quality, there have been a very small number of product quality issues, which have been traced back to the integrity of the parts control system in use at the site. The projects aspiration was to ensure that the right part is in the right place at the right time, every time. The objective was to control material, including handling, conveyance, consumption and the associated IT transaction to eliminate any possibility of an incorrect part being used in a customer's product.

The Solution

A current state value stream was drawn for the most significant product family the system failure identified and the associated processes analyzed and engineered. This was achieved by the application of Lean concepts such as level scheduling, Kanban, standard work and Visual management and enabled through the introduction of scanning technology. This eliminated the key failure modes listed below:

- Human Error associated with reading and keying part numbers.
- Volume of stock in WIP which ensured that the impact of any issue would be significant.
- Pilot and line trial activity due to the rate of change of components.

A new system was designed and implemented in Sanmina-SCI to control part integrity. All receipt and issuing of parts is controlled by scanning. Material flow based on day scheduling or a Kanban pull system was put in place. Line Trails and pilots are facilitated by changes in the ECO and Purge processes and a new visual control protocol which ensures everyone is aware what has been or is being tested and by whom.

The Result

The subsequent reduction in WIP provided a significant ROI. More savings can be achieved in this area by reducing batch sizes and developing suppliers while part integrity can be improved through greater scanner integration. These changes have enhanced Sanmina-SCI capability and specifically underpinned its relationship with current customers and positioning it to engage in new projects. All the solutions are scalable which extends Sanmina-SCI value offering to all future partners

Other recent clients of LBS



Performance Springs, an automotive component manufacturer based in the UK has engaged Lean Business Systems. The company has a turnover of £2M. In the past 18 months this company has regressed due to cost pressures and the inevitable loss of sales. Performance Springs have a very modern facility and a very good reputation for product excellence. Lean Business Systems were engaged to mentor the Leadership Team at Performance Springs. The key focus areas are cost reduction through a lean focus – flow lines and setup reduction, and to develop a process to win new business



IBM Dublin services all worldwide markets with the exception of the America's. LEAN BUSINESS SYSTEMS have designed a Lean hard drive subassembly line for them that will increase the daily output by 20%, improve productivity by 30%, reduce WIP by at least 50%, reduce handling and hence scrap, save on the use of ESD packaging and facilitate visual management.



Concentrate Manufacturing Company
of Ireland, a subsidiary, PepsiCo, Inc.

PEPSICO

The Concentrate Manufacturing Company of Ireland (CMCI) in Little Island, Co. Cork is a subsidiary of PepsiCo. A worldwide supplier of ingredients and concentrates to bottling agents, CMCI output has been hampered by the time required to changeover the ingredients lines. LEAN BUSINESS SYSTEMS were commissioned by CMCI to analyse the waste within the process and specify the attributes of a new line. The new line has been installed with the benefit of increased output due to the elimination of waste associated with changeover, ergonomic and reliability improvements.



Halifax Insurance Ireland Ltd.

Halifax Insurance Limited (HIL), provides a suite of protection insurance products to UK customers. Lean Business Systems were engaged by HIL to train its Management team on business improvement concepts, principles and the application of Lean Thinking. This knowledge transfer will be achieved through a combination of classroom training and the completion of Kaizen Events in critical areas of the business.



BARCLAYS

Barclays Insurance manages the credit insurance business for the Barclays Group. BID is based in Dublin, Ireland with an operational department based at Shannon, Ireland. This operational department oversees an outsource contract worth about €10M per annum. BID engaged Lean Business Systems to assist in the management of the subcontractor, Glenworth (formerly GE Insurance Services). The deliverables included a complete re-engineering of the claims process and the product introduction process. Lean Business Systems also provided interim management personnel to Barclays.