

Growth Through Lean Thinking

Lean Thinking has become the linchpin in the success of a number of both small and large businesses and their growth statistics continue to astound their competitors. Simply Lean Consulting has implemented Lean Thinking into over 60 different businesses throughout New Zealand and Australia and these are some examples of their recent successes and of the growth that Lean can bring to companies committed to taking that journey.



Local Christchurch manufacturer, Wyma Engineering has only recently begun their Lean Journey, but is seeing significant results already. Making large vegetable polishers is a massive undertaking in itself – but to make them in Single Piece Flow manufacturing is a very tall order. But that's exactly what they have accomplished, with Simply Lean's implementation, and have



reduced their Assembly Leadtime from 5 days down to an impressive 2 days. Whilst Wyma Engineering are at the beginning of their journey they are looking forward to the many future benefits that will come as they

begin to introduce other aspects of Lean Thinking under the guidance of Simply Lean Consulting.

Jeremy Collins, Managing Director of Selecon Lighting committed his company to Lean in the middle of 2006 and has seen an outstanding development of their processes and culture which are now delivering impressive results. Having sites in New Zealand and Europe, naturally the manufacturing base here was the first to embrace Lean Thinking and Simply Lean Consulting have introduced a number of Lean techniques including Single Piece Flow for assembly, 5S for the entire site and Kanban to manage Raw Material, Work in Progress and Finished Goods. Kanban now signals when to manufacture based on customer demand - Pull Production as opposed to traditional Push systems, with Kanban also being introduced into their European Warehouse. Through these mechanisms Selecon have been able to reduce their New Zealand Inventory value by half a million dollars. Production has increased by more than 50%, with only 20% additional labour – outstanding productivity growth in anyone's language.

Another example is from Galleon Woodware, a furniture manufacturer in Timaru, where within the first 6 months of their implementation they have developed a Made-In-Parts store controlled entirely by Kanban which buffers the Assembly process from the varying leadtimes of material from their machine shop. They now enjoy faster processing time, better planning, improved communication and increasing quality to meet the demands of their customers.

Building portable buildings doesn't sound like a business that would suit Lean, but yet again it does. Cube Innovations in Hamilton fabricate and assemble portable buildings of various sizes using Lean techniques. They can now produce a building 40% faster than before and intend on doing better than that.

Christine Steadman of Prenzel Distilling Company is another Lean convert and from "inventory levels that looked more like turnover" used Kanban to reduce stock levels by \$140,000 and ingredient levels by \$170,000 in six months – significantly

improving cashflow. Housekeeping has improved significantly through the use of the 5S principles and bottling times are monitored every hour so everyone knows if production is on schedule. Quality measurement and monitoring maintains Penzel's reputation of producing a high quality sought after product.

Whilst Lean Thinking originated from the Toyota Production System, there are many who don't believe that Lean can apply to their business because they associate these techniques with making cars. The above examples counter that myth conclusively – from vegetable washers, to stage lighting, to furniture, to buildings, to liqueurs and not a car in sight.

Lean Thinking is truly transparent to the product as it is a management and process philosophy. So what ever the product or service you supply to your customers, Lean Thinking still applies.

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