

Rapid Lean Six Sigma

Waste Reduction and a Strategic Six Sigma Approach

An Automaker's Logistics Operations get designed on a Lean Six Sigma Methodology, a proven process improvement and statistical quality tool to eliminate waste and issues in Business Operations. A strong focus was given to the alignment of the Six Sigma Initiatives and the Strategic Goals of the Organization.



Business Challenge

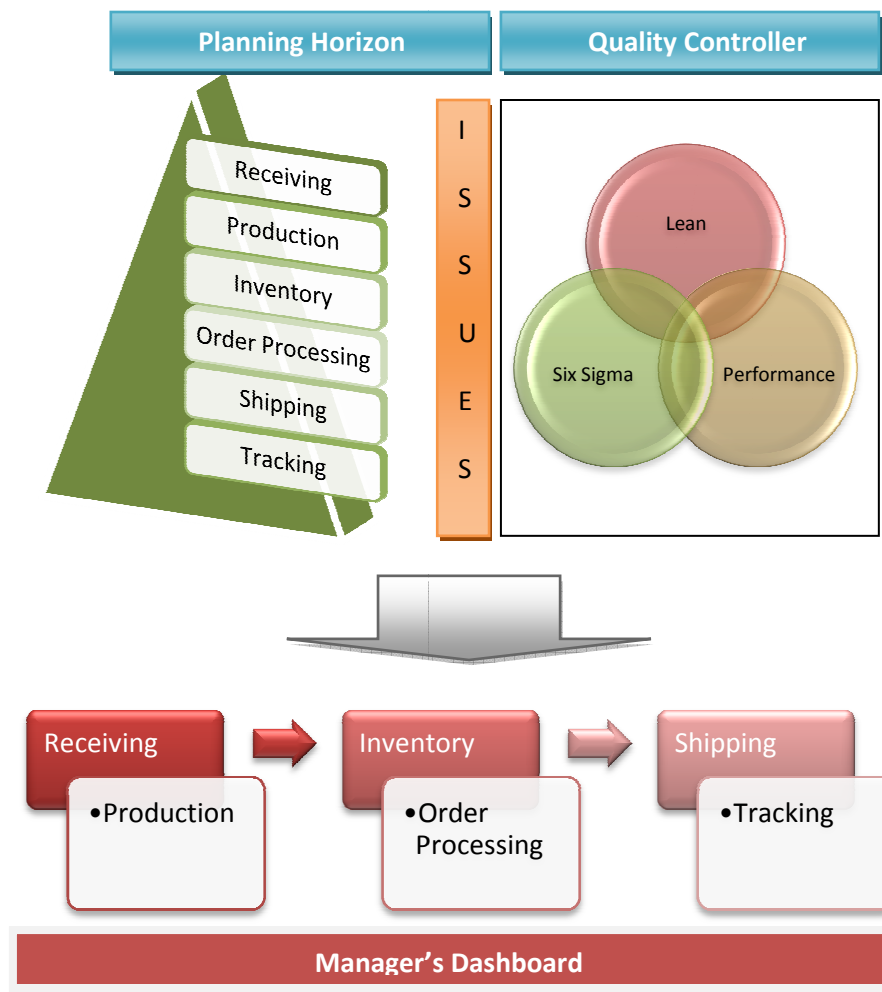
Understanding the Automaker's supply chain and their Information Systems were a challenge for the successful implementation of this project. Also, the tight production deadlines attached to this Plant Operation was close to impossible. There were close to 330 parts classified according to packaging type. The parts ranged from Custom Engines and Chassis to Hardware and Pilferage parts for a successful assembly in China. Quite a lot of time was spent understanding the Operations and their relevant Information systems. The Automaker had separate standalone information systems for Lot Order Processing, Materials Master Management, Production Management, Supplier Management and Logistics Management. The objective was to design a comprehensive end to end Lean Six Sigma Process flow for the Logistics Plant, which includes the receiving, production, put away, inventory, lot order processing, picking, case building and shipping.

Solutions

In less than 15 Days the design was ready to be tested and deployed. Not only was the process flow designed on a Lean Six Sigma methodology, we also removed the bottlenecks in the operations using Wait Line Modeling to help the Receiving Manager, Production Manager, Inventory Manager, Lot processing Manager and the Shipping Manager to stay on top of the processes and the corresponding resources. We developed a Planning Dashboard for the Managers to control their resources as per the In Flow and Outflow of goods in Receiving, Production, Inventory, Order Processing and Shipping.



"The Business Challenge was the complexity of the Supply Chain and the multiple information Systems".



Impact

The Lean Six Sigma Mechanisms in the Processes saved an estimated \$120,000 for the company during the Implementation. The Processes were clean and exhibited continuous flow. All the potential redundancies and wastes were removed from the Operations. The Managers in the individual departments had better control over their processes. The Control Mechanisms helped the managers to be more proactive in handling their resources.

Conclusion

Clearly, the potential of the Lean Six Sigma Methodology has been enunciated through this case. The Key for a successful implementation is to align the Strategic Goals of the Organization to the Individual Tactical Tasks and Processes. Continuous Improvement in the processes can be achieved only through sound knowledge of the Business, Operations and Systems of the Client.

"The Lean Six Sigma Implementation saved and estimated \$120,000 for the Company. The Team eliminated the potential Redundancies and Wastes in the Operations and provided better Control to the managers through Six Sigma Control Dashboard Solutions"