



Characteristics/Attributes of a Lean Operation

Just what does a lean operation look like? How do we determine how far we have come in our lean journey? The following list is intended to address these fundamental questions.

Fundamentals in Place

- There is a designated place for everything and everything is in its place. No time is wasted while looking for things. The organization looks clean and everyone is required, encouraged and motivated to keeping it organized.
- The distance traveled by operator(s) and/or a specific part is less than the perimeter of the facility.
- There are on-going reports easily assessable to everyone that provides timely feedback for individuals and groups.
- Quality is achieved by controlling the process, not by checking parts. Rework and quality returns are rare occurrences.

Evident Flow

- Everyone is aware of the status of the subsequent operation/step.
- There is a clearly visible, easy to follow path through all steps.
- External set-up time has been eliminated and everyone follows consistent set-up procedures.

Balanced Lines/Processes

- Everyone is aware of and executes to takt time (pace of production required to match demand from the next operation/step).
- To handle mix issues, the schedule is properly leveled to minimize the impact of both inventory and set up time. In addition, the required pitch (i.e. increments of work) is regularly determined for the pace maker operation/step.

Pull vs. Push

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- There is one single point for scheduling (i.e. pace maker) - scheduling is not done at multiple or at every operation/step.
- There is no or limited number of batch processes - whenever possible, a continuous flow. One key clue to look for is presence of inventory.
- In spots where batching is necessary, FIFO pull system is in place with proper inventory levels. The amount of overall inventory (in equivalent number of days) should be approximately or slightly higher than the average of lead time (in days). Any discrepancy results in excess inventory and/or part shortage (which in turn impacts customer service level).
- Customer service level is not directly impacted by forecast accuracy. There are no official "expeditors."

Organization Alignment

- There is an acceptance for trying new ideas and concepts. Desire for continuous improvement is very strong. Maintaining status quo is not an option.
- There is constant communication channel between workforce and the management. Award and recognition are based identifying, implementing and sustaining improvements (on time, quality, customer service and/or cost).
- The workforce is empowered and motivated to self-direct daily operations/tasks with minimum input from management.
- There are clear, proper, objective and timely measurements available for everyone to view. Any degradation is identified and addressed immediately.

Simply put, in a truly lean organization, each step in the entire value chain processes only what the subsequent step requires - this is done at the right time, in high quality and at the lowest cost possible. All seven types of waste have been identified and eliminated - the only remaining work should be those that are needed to change form/fit and/or function a customer is willing to pay for.

For more information, please email us at info@tefen.com

About Tefen

Tefen is a publicly traded, international operations consulting firm with seven offices in United States, Europe and Israel. The firm has

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