

Making Point Kaizens Effective for Sustaining MDI

Usually after we train a company's leadership team in managing for daily improvement (MDI), we recommend using point kaizens as a means of helping to sustain results. Often the results are mixed because point kaizens were not given priority in the leaders' daily or weekly activities. It became clear to me that standard work for choosing point kaizens was needed, as well as some sort of extra incentive to ensure that point kaizens were used successfully for sustaining MDI initiatives. It seemed that point kaizens were akin to exercise—everyone recognizes their value, but without incentive to actually do either one, both tend to be allowed to fall by the wayside.

First, we established standard work for developing point kaizens:

- Record end of the line abnormalities and list them as point kaizen topics.
- Divide the point kaizen topics into "ABC" groups. An "A" point kaizen may take up to a full day to work on. A "B" would be about a half a day in length, and a "C" would require two or fewer hours.



- These point kaizen topics can be assigned to or volunteered for by the team leaders in order to provide focus on necessary topics that will provide immediate impact by removing an abnormality.
- Post the "ABC" list at the line near the SQCD board. If operators become available, instead of looking for work for them to do, the team lead or supervisor will have a handy list of topics for the person(s) to work on. This is a type of "set up reduction" for project selection by having them readily available.

Once we had standard work in place for choosing point kaizens, I began to work on the incentive issue. At Milbank we established a process where once a week the supervisors and team leaders make presentations to the leadership on the point kaizens they performed that week. The presentations are kept short and simple: one to 10 PowerPoint slides requiring three to 10 minutes of explanation and are e-mailed to the kaizen promotion officer in advance.

The entire group can then vote on which person they thought obtained the best results for that week's point kaizen. Choosing the best point kaizen adds a reward factor to the process, which when coupled with the accountability/peer pressure factor of having to present results weekly, greatly enhances the probability of successful sustainment.

Another company that has instituted this process is Gopher Engines. For the reward part of the program, Gopher buys various gift cards that are placed in a hat and the person whose kaizen is voted the best that week gets to choose a card from the hat.

A positive outcome of this process is that it helps to drive culture change through continuous improvement by formalizing the point kaizen as part of the standard work for anyone in a leadership position. Instead of just telling people they should be managing for daily improvement, this gives them an effective way to codify doing it.

— Gary Rascoe, Senior Management Consultant and Trainer, TBM LeanSigma® Institute

Fosfertil and LeanSigma®: Dramatic Changes in a Few Short Weeks

The company implemented a solution developed by TBM Consulting, also reducing water consumption using LeanSigma technology.

Fosfertil, Brazil's largest supplier of raw material for fertilizers, implemented LeanSigma over 12 weeks at its seven manufacturing units in Araucária (PR), Catalão (GO), Cubatão (SP), Piaçanguera (SP), Tapira (MG), Uberaba (MG), and the Sea Terminal (SP). Fosfertil's goal was to optimize all of the organization's processes through lean. Among the results achieved were productivity improvement of 50 percent for the industrial areas and a dramatic reduction of water and steam



consumption at some production units. One of the projects, dubbed “Hunters of Lost Water,” implemented by a team at the Araucária unit, attempted to reduce water consumption by 2 percent. The team was able to greatly exceed that goal by implementing changes to the existing processes to produce some chemical combinations that allowed water to be re-used for some processes, thereby reducing the use of drinkable water. In order to fight all waste at the plant, repairs were also conducted on faucets and automatic flushes. At the Cubatão unit, the team was able to reduce steam consumption for the production of ammonium nitrate by 50 percent. At the Sea Terminal, the defined goal was to improve the capacity to transport fertilizers by 15 percent, and the team achieved an improvement of 27 percent. “Thanks to the LeanSigma process, we could understand how it is possible to perform big changes in a short time and with a small investment,” noted Roberto Busato, Fosfertil industrial director. He also pointed out that results and solutions were feasible thanks to the creativity of those professionals involved in doing the job. After implementing lean at the industrial plants, the work was also expanded into the administrative areas.

— adapted from *Alimento Seguro (Safe Food)* magazine, September 12, 2007

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- Identifying and tracking lean performance measurements
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- Leveraging lean to improve energy consumption and savings

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