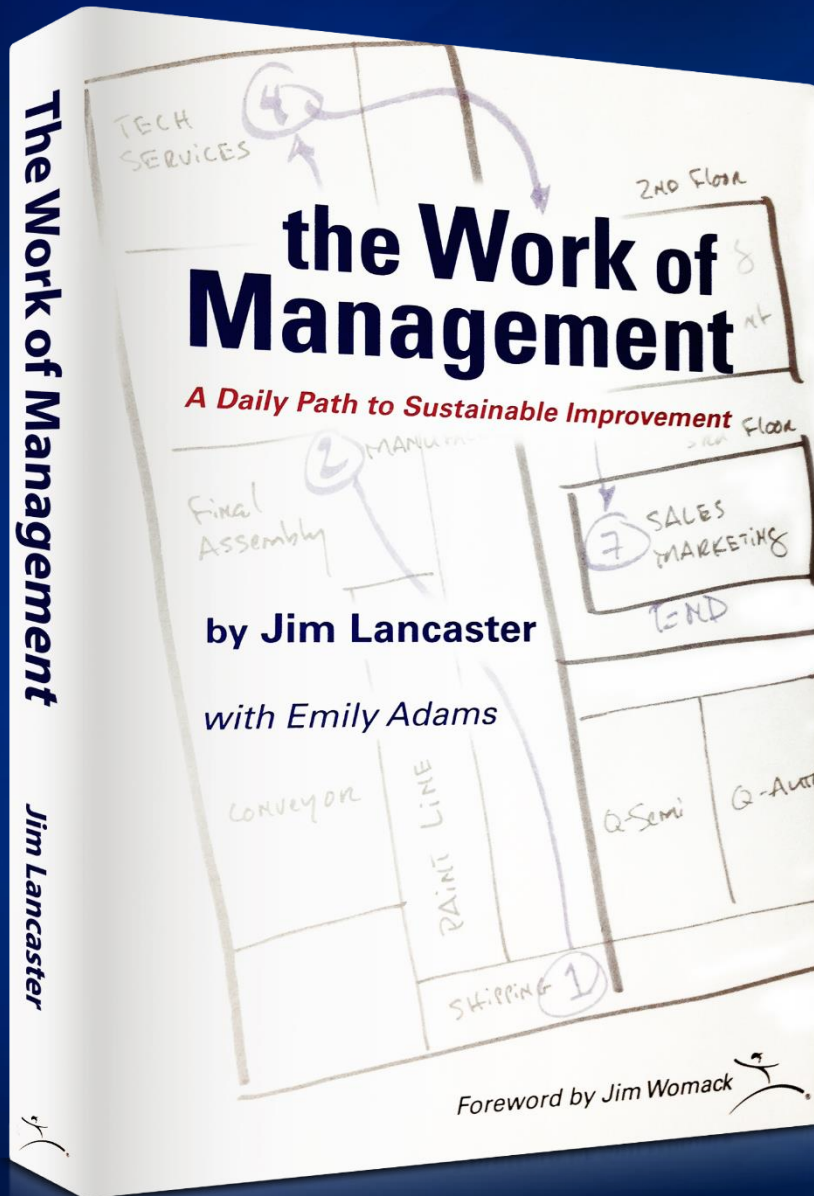


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The Work of Management

A Daily Path to Sustainable Improvement

By Jim Lancaster

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Eliminating the World's Shipping Damage

Case Erecting
Case Sealing
Stretch Wrapping
Conveying



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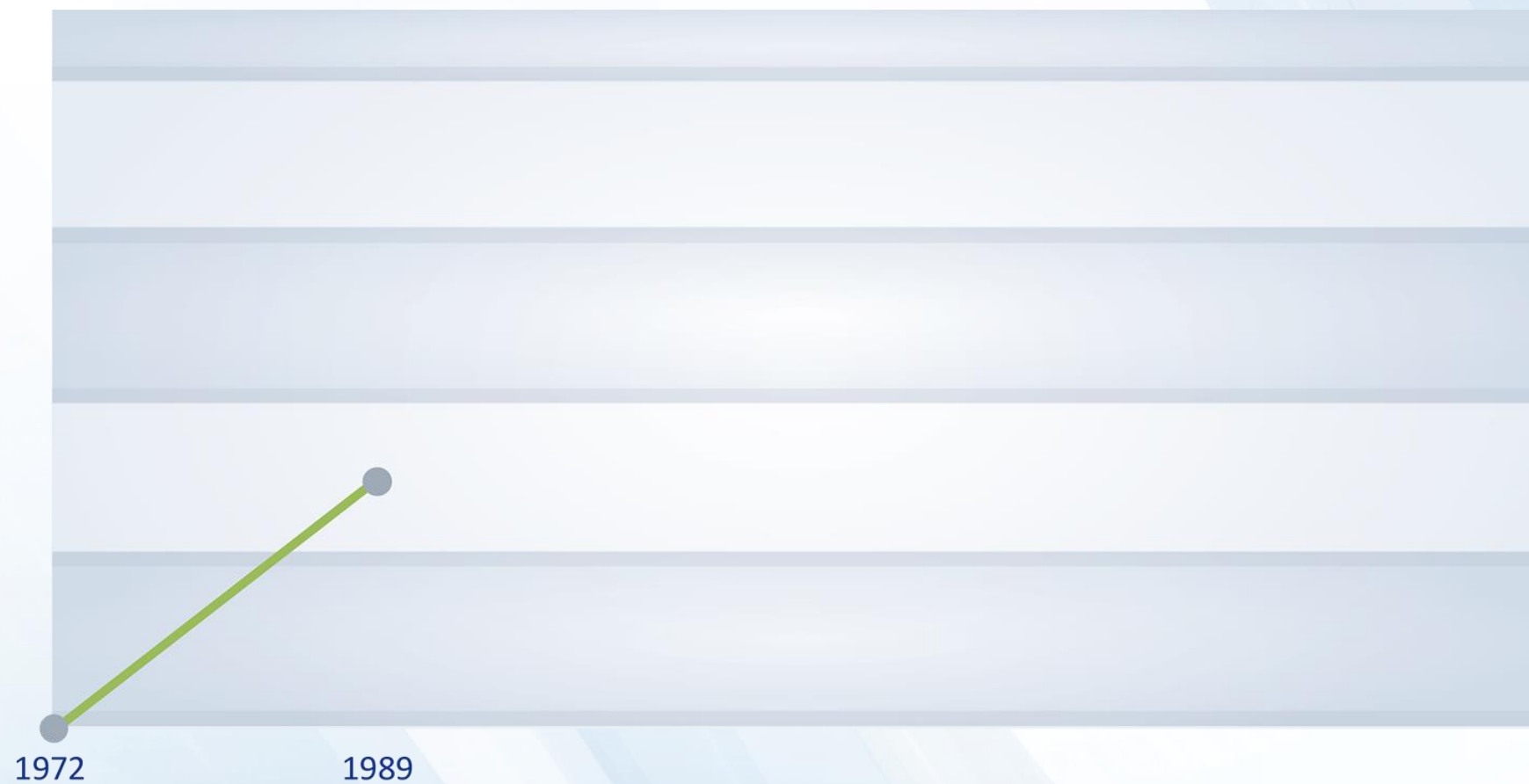
Lean Objective at Lantech

to Accumulate Competitive Advantage

- ⇒ Accumulate Process Improvement
- ⇒ Accumulate Ability to *Hunt Like a Pack*

- ⇒ Tyranny of Chasing the *Next Big Idea*
- ⇒ *Deterioration*, the Enemy of Improvements
- ⇒ First, Managers *Believing* in Supporting the Work
- ⇒ Management System to *Combat Deterioration*

The Journey



First Growth Stage
1972 - 1989

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The Journey



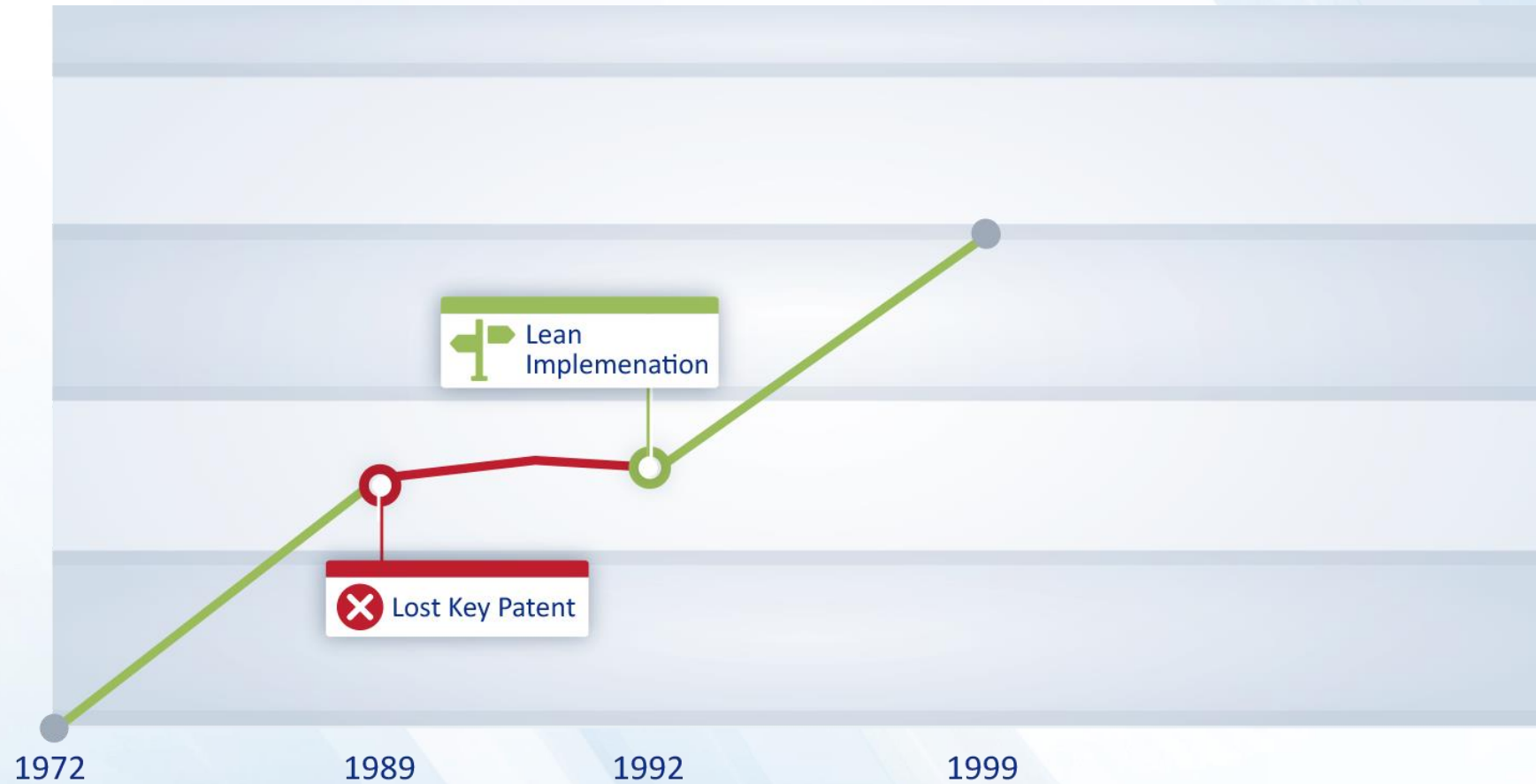
First growth stage went through to 1989 then leveled through 1992.

1989 - 1992



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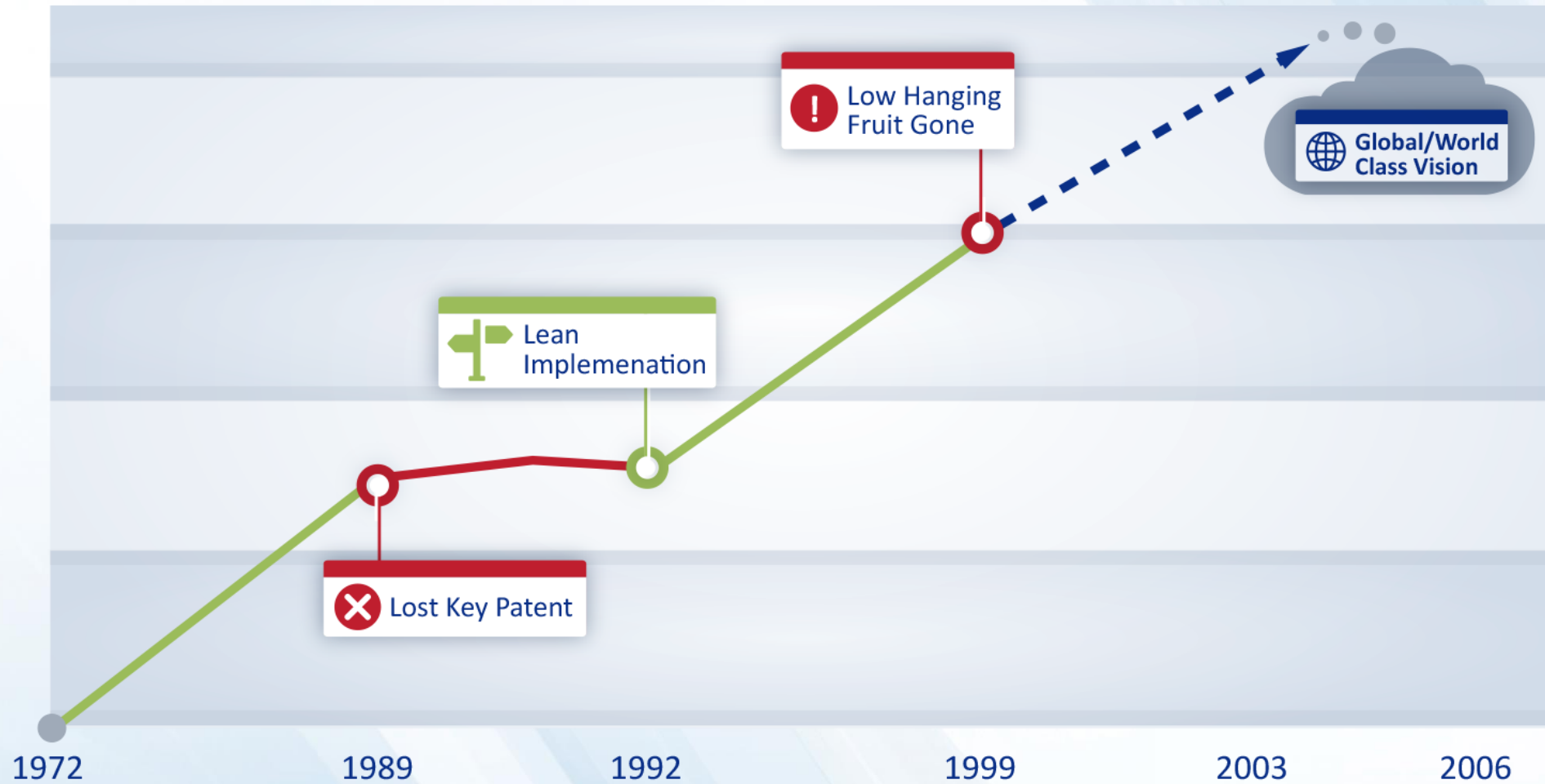
The Journey



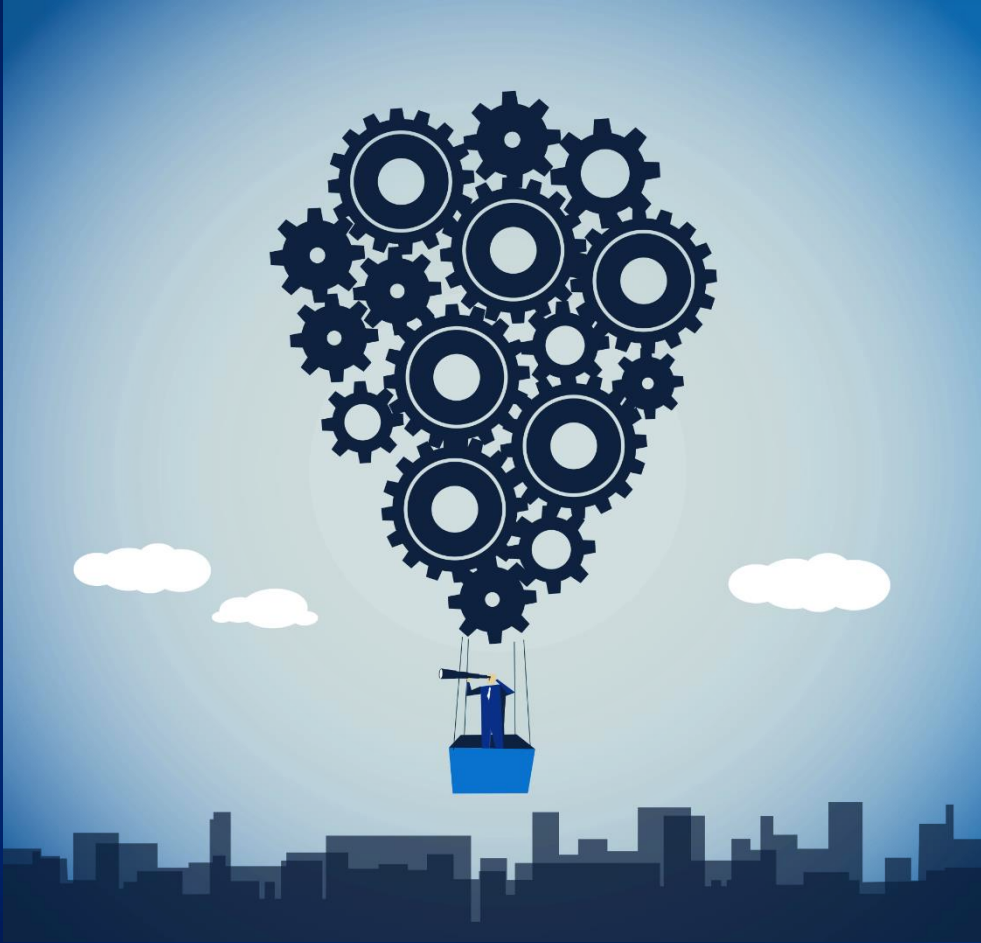
Lean facilitated growth still happening but it was not the same.

1992 - 1999

The Journey



The Next Big Ideas

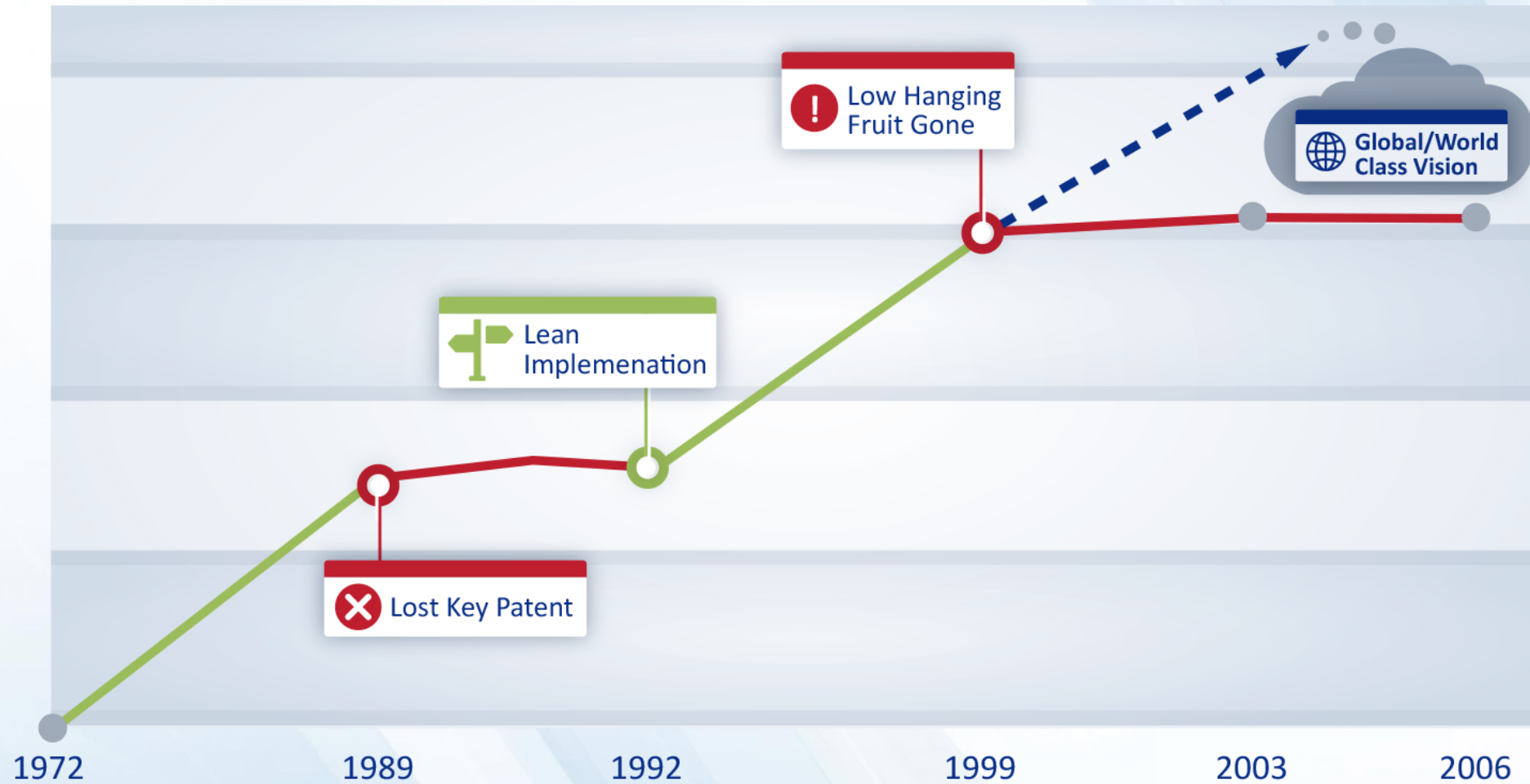


⇒ Acquisitions

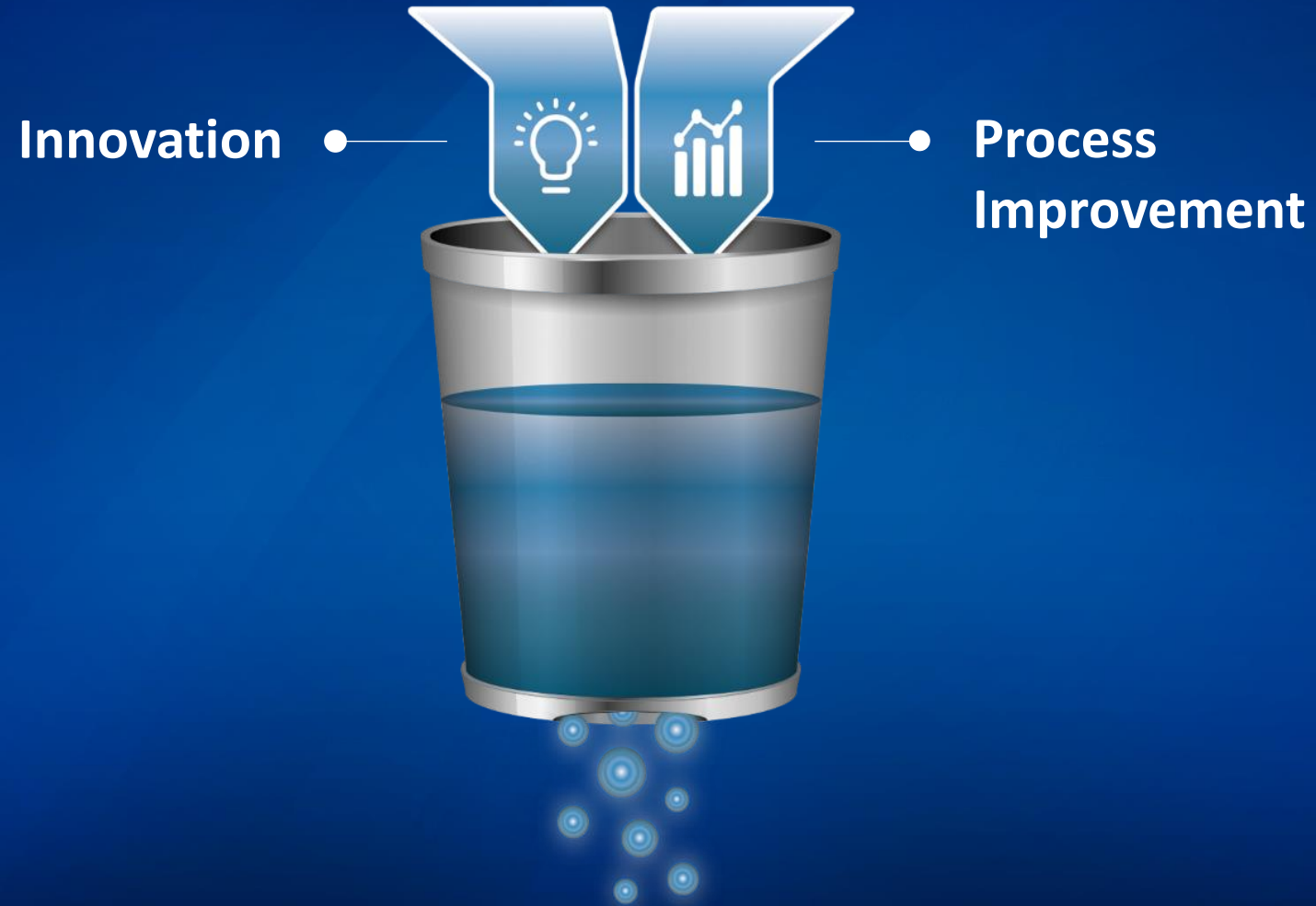
⇒ Global Expansion

⇒ Product Expansion

The Journey



Revelations . . .



Performance/Quality Erosion

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Big Idea



⇒ Management Accountability



Big Idea

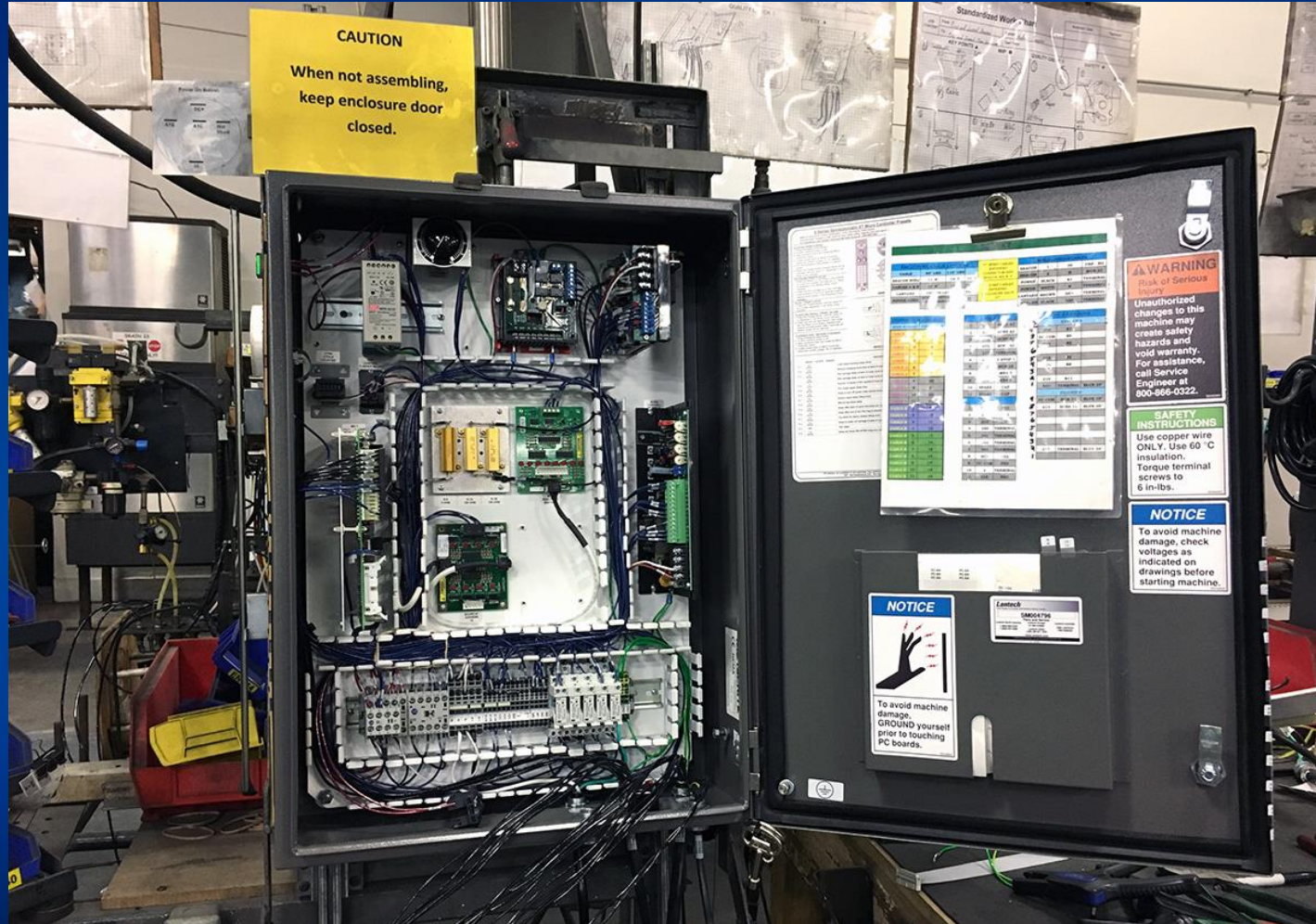


⇒ Get Some Help



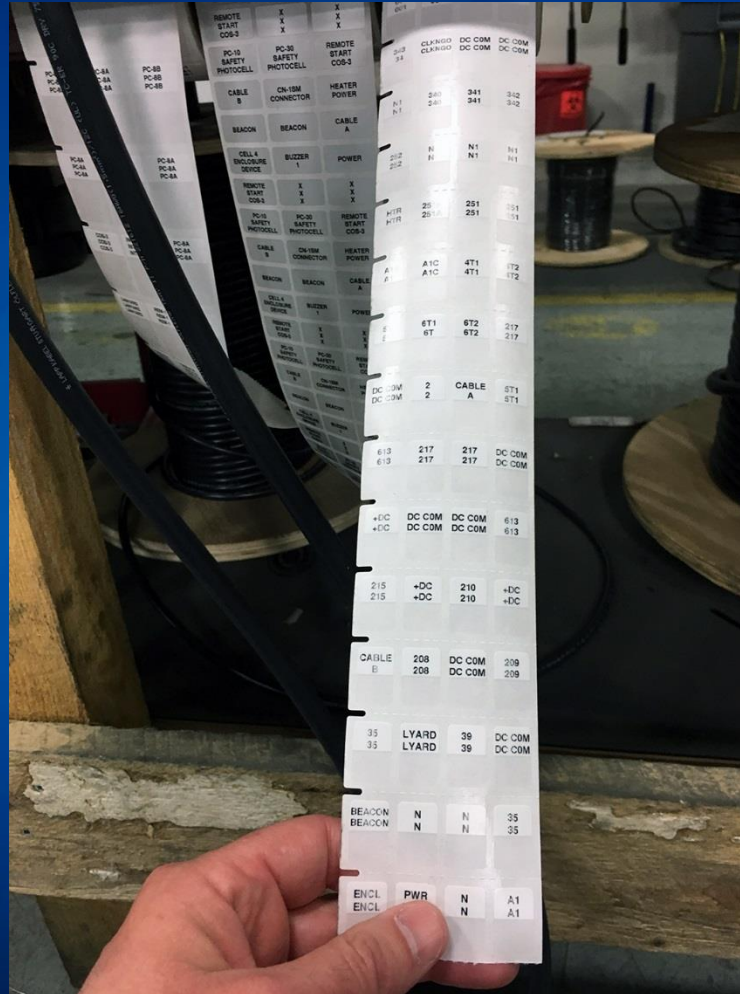
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Back to the Floor



Electrical Panel Cell

Back to the Floor



Labels

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The background is a dark blue gradient. It features faint, stylized silhouettes of several human heads in profile, facing right. Overlaid on these are various mechanical and network-like elements: gears of different sizes, a central hub with radiating lines, and a ladder-like structure. The overall theme suggests a complex system of human thought and technology.

Seeing and understanding the work
is harder than it looks.

*Does it really take the CEO
to get rapid support to the operator?*

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Back to the Floor



Paint Line

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The background is a dark blue gradient. It features faint, stylized silhouettes of several human heads in profile, facing right. Overlaid on these are various mechanical and network-like symbols, including interlocking gears, a central hub-and-spoke diagram, and a ladder-like structure. The overall theme suggests a complex system or process.

**Huge number of variables attack
the process every day.**

*Operators and Team Leaders
can't control many of those variables.*

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The System

sonic
Panab

I THE Business Issue: Quality - Margin - Knowledge, Skill Capture are not improving at an acceptable rate.

- We are living off the past and it will not last
- We are stuck in do loop of fire fighting vs. fixing root causes
- Plenty of direction but little momentum.

II WE Need a Strong Management System

- That holds gains through management quick response
- Allows for improvement over time with time freed up from firefighting.
- The two jobs of management vs. Leadership which is setting direction & getting others to follow.

III Management System Components:

- Daily Operating Principle for how to sustain and improve our business vs looking for a silver bullet to save the day.

P - plan
D - do
C - check
A - adjust

IV Each Team needs a Clear picture of quality in their area

VISUAL MANAGEMENT

| | |
|--|--|
| Identifies Current Status (Metric, Green or Red) | Identifies Improvement Targets, Planned actions and Current Status |
| Actions to put it back to Standard | Actions to get back on track to Improvement Targets and Actions |

Support to be provided to managers in their areas minimizing disruption to their work.

W - Walk
A - Arouse
R - Review

Owner of Area → Updating on actions to be taken - who takes what
Support Managers → Represent resources and Capabilities
Evaluating if "My person in place can support the area today"

Start at end of value add process & work back wards.
< 10 min per stop with set start & stop time.

Principles

If management work is not defined - 100% of work becomes fire fighting

UE must be deliberate (standardized) on how we manage the current condition so we free up time to do Improvement

Management happens at the work place → It is not a reporting process
Have key people present and decide how to proceed there.
Coordinated between managers to free up time.
Standard process at each stop

- ① Observe Current Condition - metrics and area.
- ② Discuss "Andon's" Metrics below standard with next action focus.
- ③ Identify support needed or next action
- ④ A Way to capture who then takes what by when.
- ⑤ follow up on Actions from prior days with follow up do today, and record next who what by when if needed.

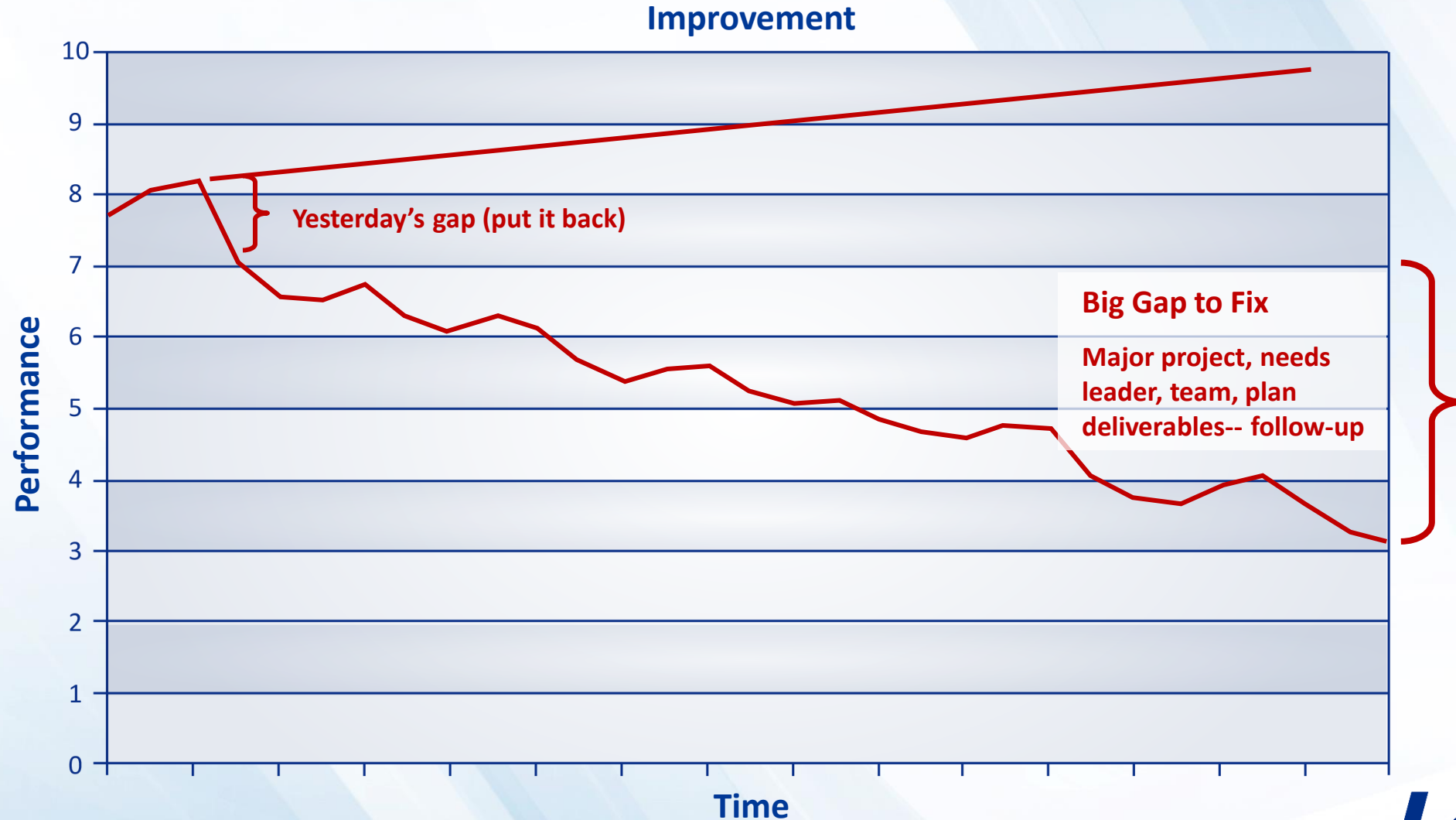
So . . .

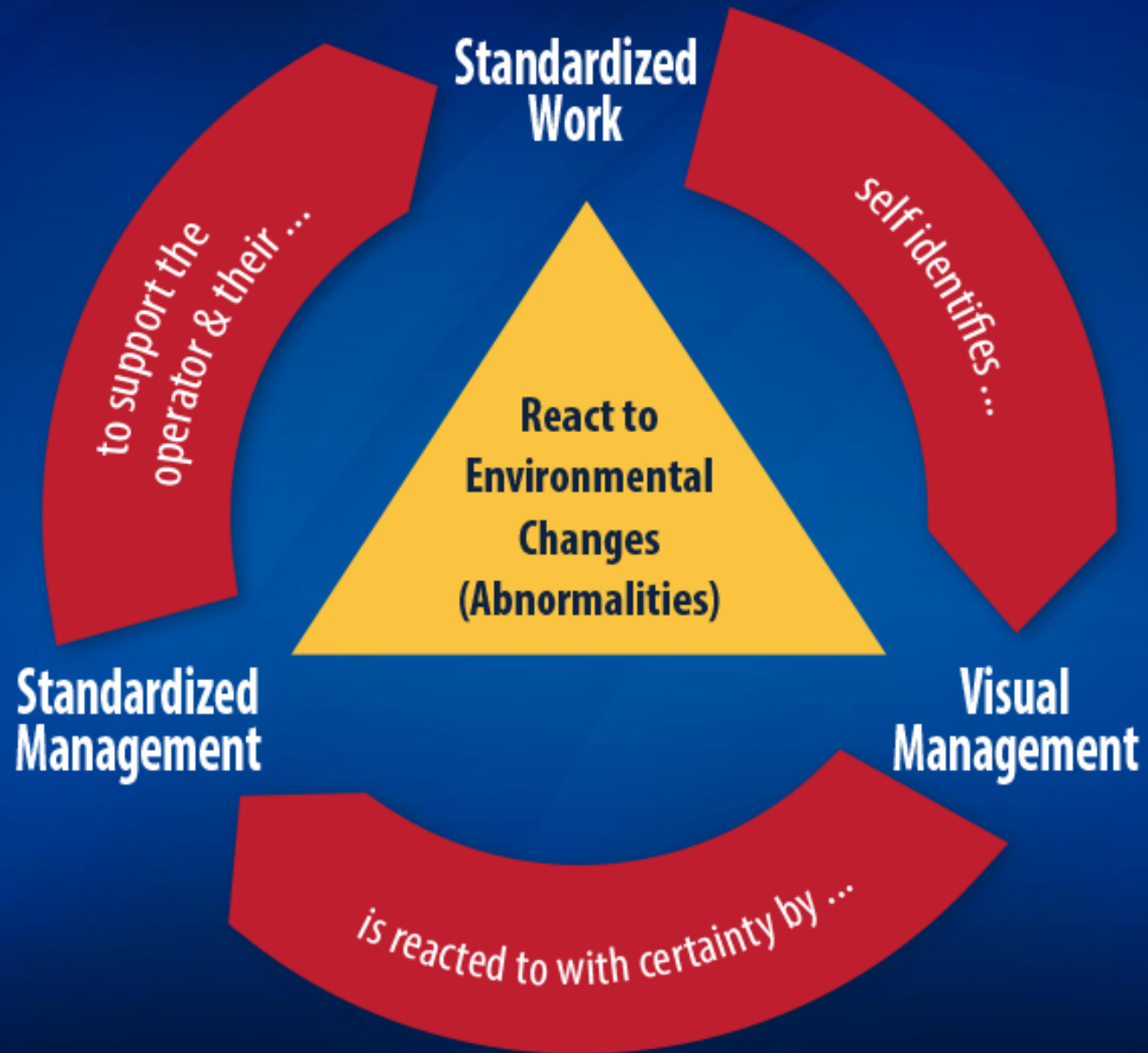
We need a system that:

Holds gains through management's quick response, allowing for improvement from the freed up time from fire fighting.

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First Job of Management is to Hold Performance. *If Done Well, Provides Time for Improvement.*



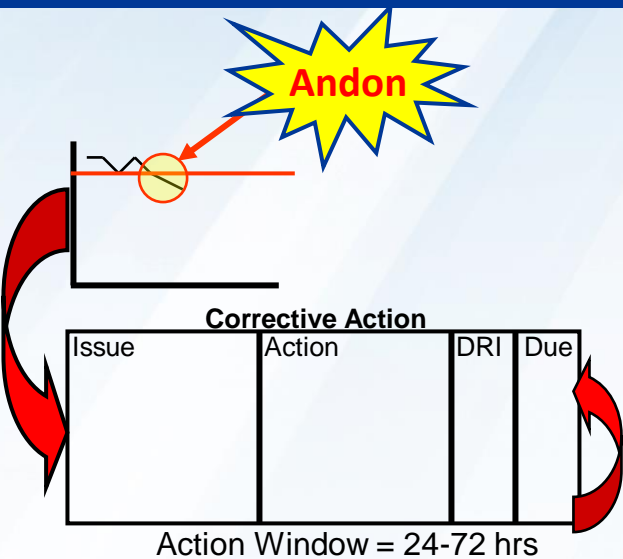


WAR Management Cycle



P
D
C
A

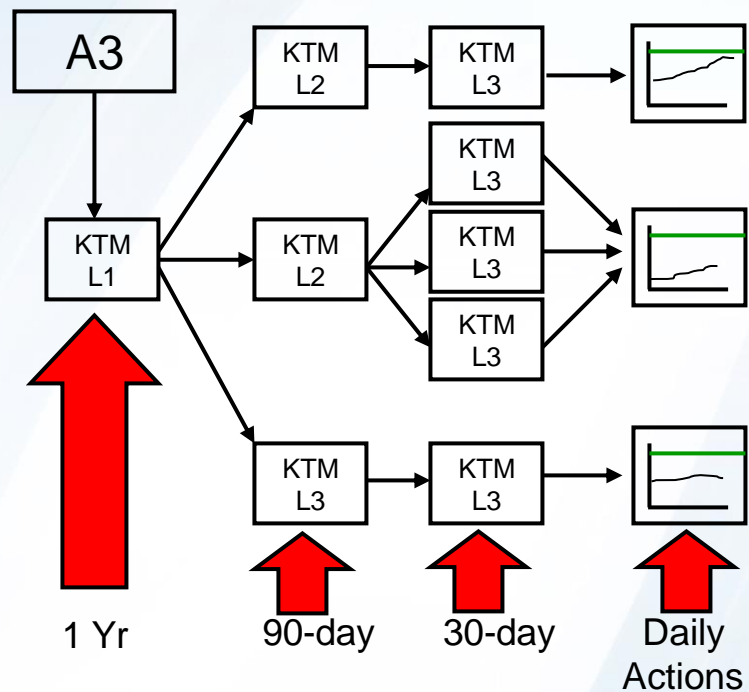
Maintain the Current Condition



| | | | |
|--|--------------------|--|--|
| | Quality Loop Board | | |
| | | | |

Actions in response to a “trip wire”

Improve the Current Condition

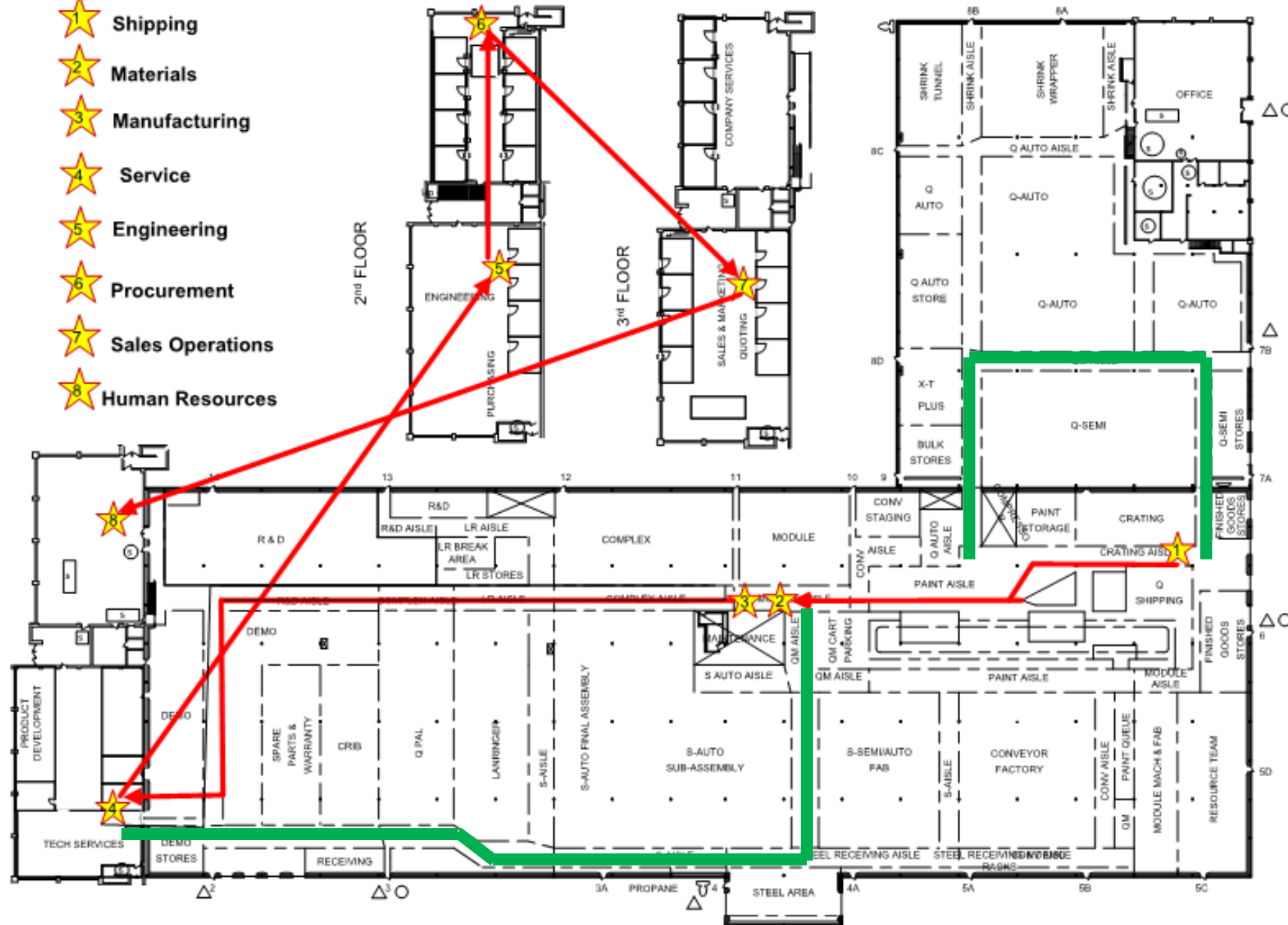


Actions to achieve goals

P
D
C
A

WAR PATH (M-Th Loop)

- ★ 1 Shipping
- ★ 2 Materials
- ★ 3 Manufacturing
- ★ 4 Service
- ★ 5 Engineering
- ★ 6 Procurement
- ★ 7 Sales Operations
- ★ 8 Human Resources



Management is what happens standing there at the board!

- ⇒ Only deviations or things requiring support are discussed.
- ⇒ Deviations and problems have action attached with who does what by when before meeting is over.
- ⇒ Is the next step by the correct area or person?
- ⇒ Is the next step respecting problem solving and the operator?
- ⇒ Do we have immediate support for operator/customer?

Results in

Cross functional support every morning.

Priorities adjusted daily cross functionally.

Clarity of Responsibility – who decides what.

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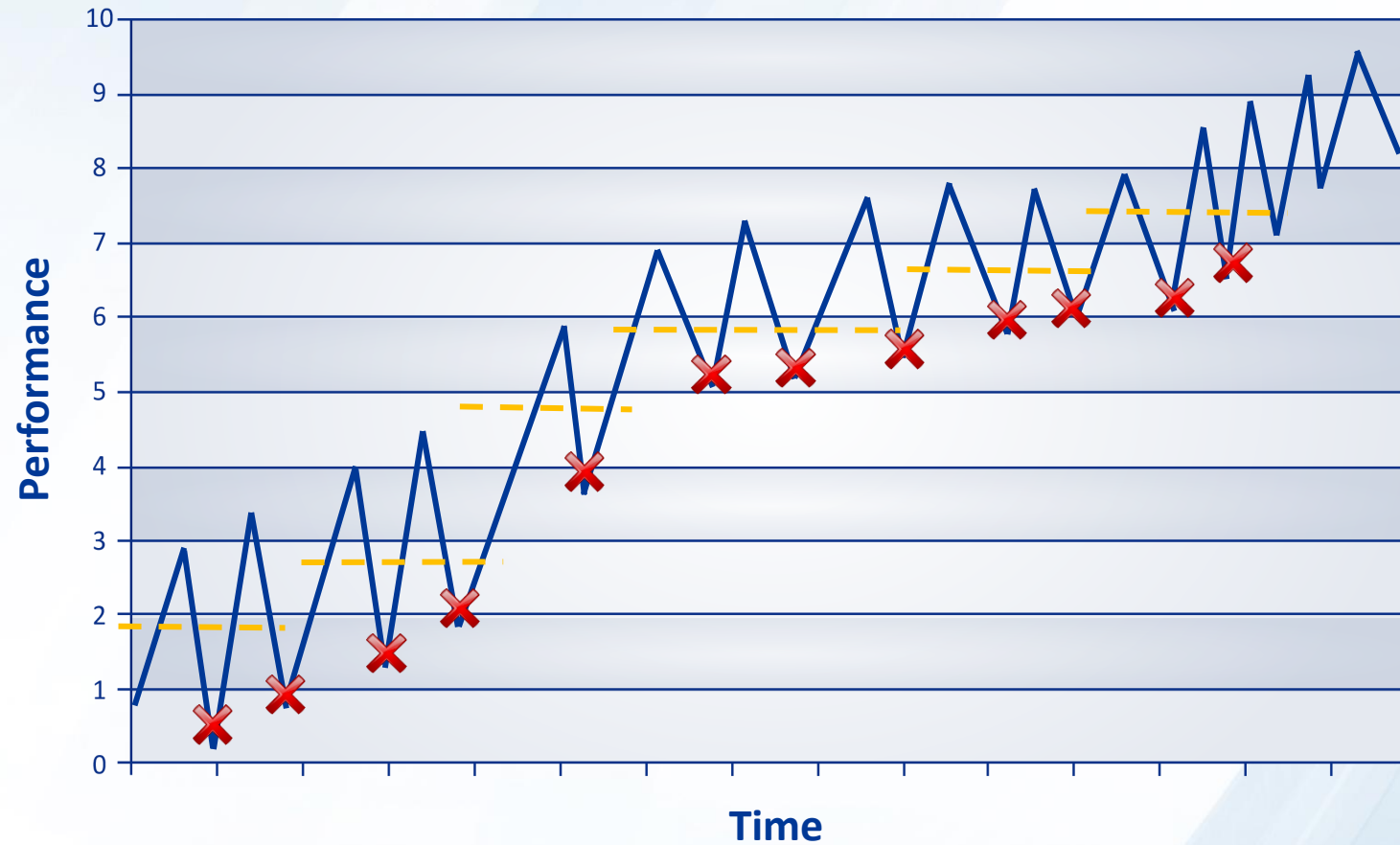
The Impact

Improvements accumulate.

Significant directional changes can occur quickly.

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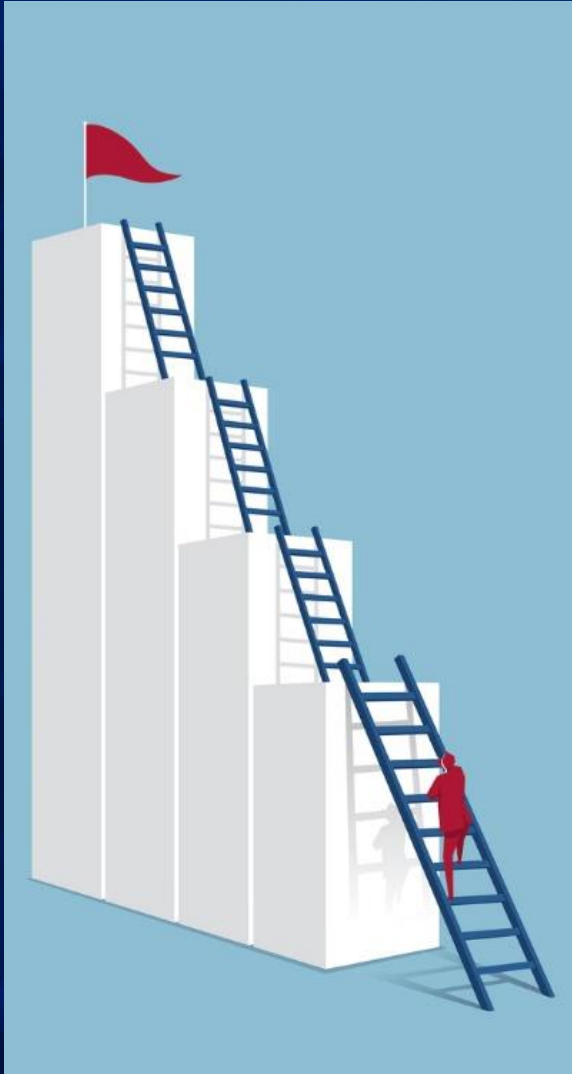
Improved Performance from Maintaining Current Condition



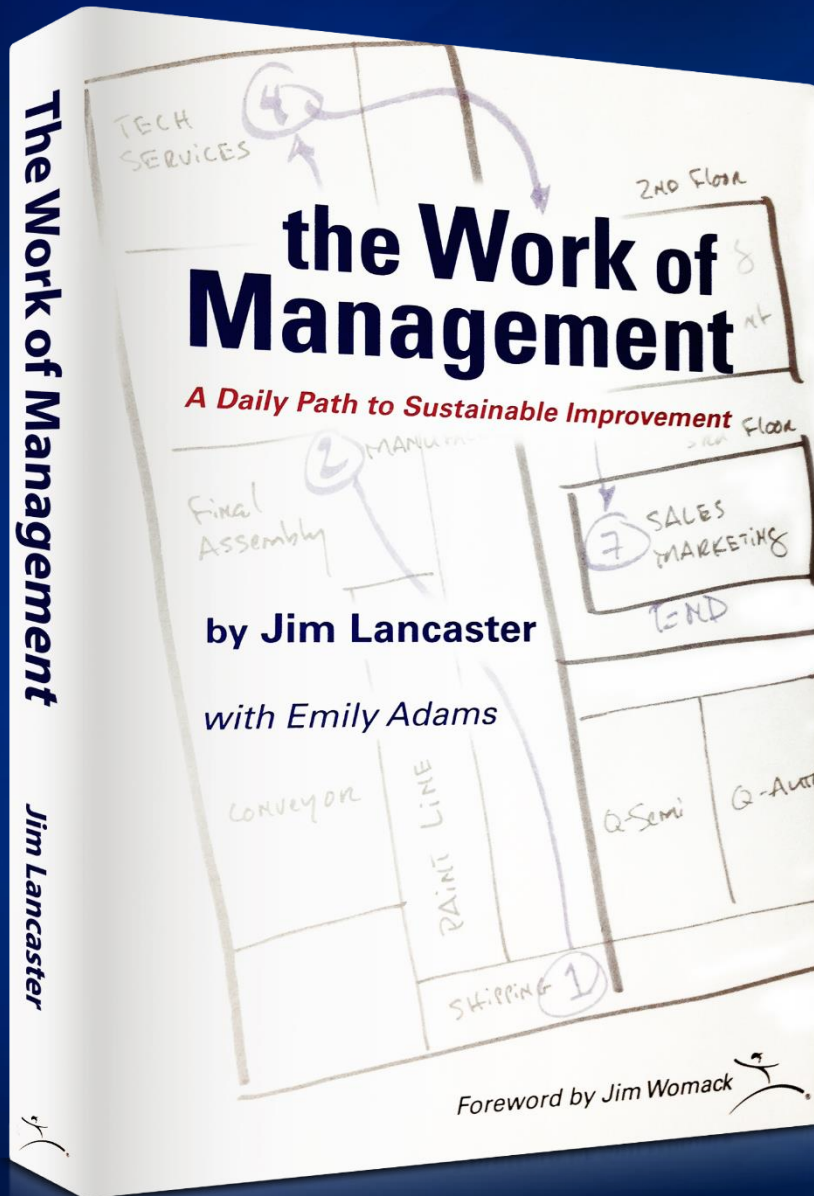
- ⇒ LEARNING to *SEE* it
- ⇒ LEARNING to *DESIGN* it
- ⇒ LEARNING to *MANAGE* it

If Lean improvements are not impacting your income statement and you have little time for improvement work, maybe you don't have an improvement problem. Maybe you have a deterioration problem.

Next Steps



- ⇒ Articulate your most pressing business need
- ⇒ Turn yourself into a believer
- ⇒ Go to where the work is being done and observe
- ⇒ Improve and standardize the work **YOURSELF**
- ⇒ Watch what happens to what you improved
- ⇒ Create a daily management system connecting the work to the needed support managers
- ⇒ Read the *Work of Management*
- ⇒ Buy more stretch wrappers!



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