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# **INDUSTRIAL PLANTS II**

Chapter one ó part 1: Lean manufacturing

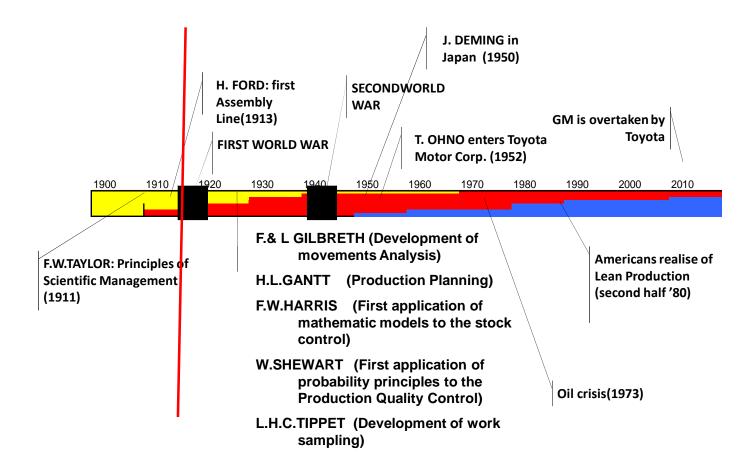
DOUBLE DEGREE MASTER IN õPRODUCTION ENGINEERING AND MANAGEMENTÖ

> CAMPUS OF PORDENONE UNIVERSITY OF TRIESTE

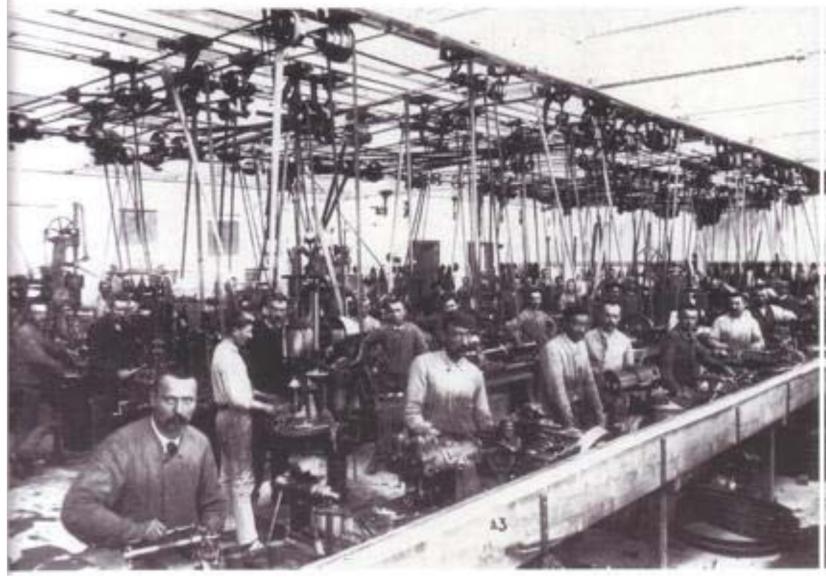
> > A. Y. 2021 - 2022



#### **PRODUCTION PHILOSOPHY EVOLUTION**









#### **FREDERICK W. TAYLOR**

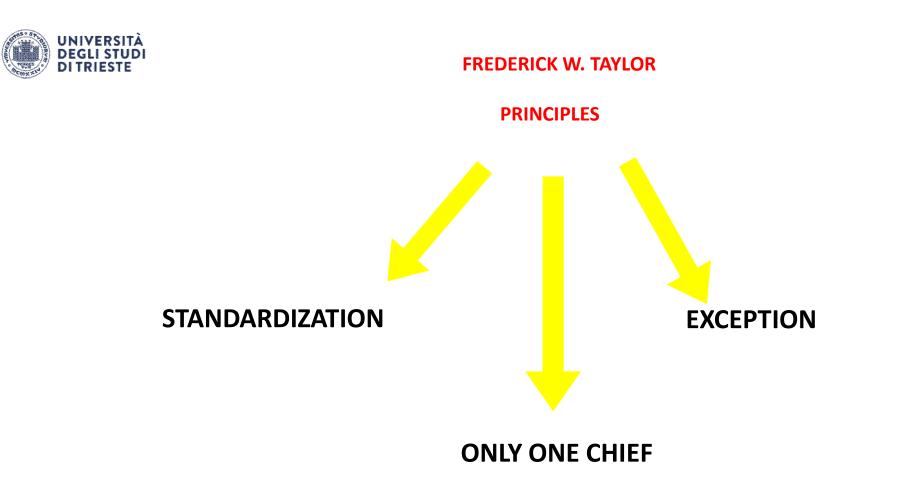
#### **THE CHANGE**

Methods and tools chosen by the workers

Lack of knowledge for product cost calculation

Worktime losses uncontrolled

- 1) Rational method for each human work element (TIME AND METHODS STUDY - STANDARD )
- 2) Selection, training and information of the personnel on scientific basis (PERSONNEL RESPONSIBILITY)
- 3) Cooperation among workers and staff/managers (PERSONNEL RESPONSIBILITY)
- 4) Fair job division among blue collars and between blue collars and managers (TOP MANAGEMENT -FUNCTIONS)

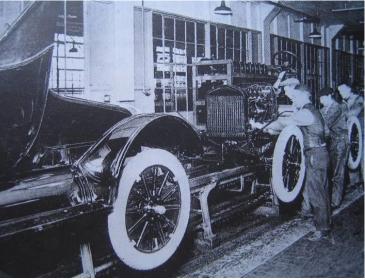




#### **Henry Ford**



1903: A Model 1908: T Model



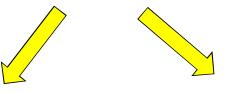


### **Henry Ford**

Years	cars	price (\$)	notes
<i>″</i> 1909	10.000	825	ab. 3 months/salary
<i>″</i> 1910	19.000		
<i>″</i> 1912	78.000	575	ab. 2 months/salary
<i>"</i> 1914	260.000		
<i>″</i> 1915		man	ufactured the first 1.000.000
<i>″</i> 1921		man	ufactured the 5.000.000th
<i>″</i> 1924		<b>290</b> man	ufactured the 10.000.000th
<i>″</i> 1927			oft he Model T production at a more that 15.000.000 cars



#### **Henry Ford**



#### VERTICAL COMPANY

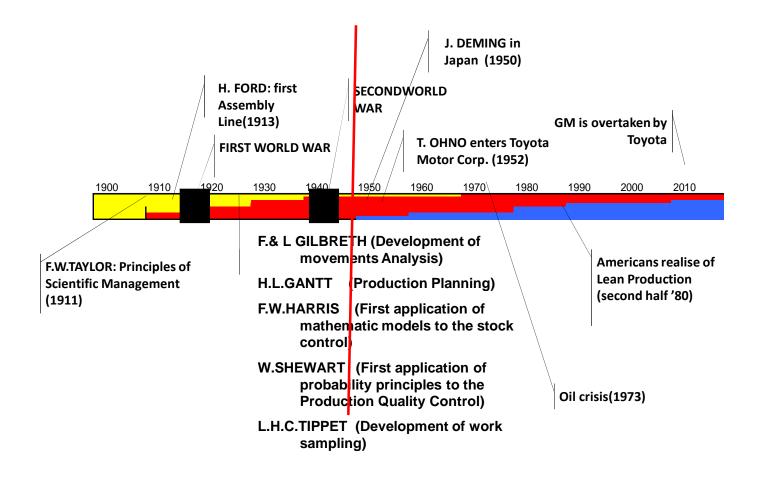
- <sup>"</sup> Strong trust in himself
- Few and not specialised suppliers
- Quality always under control;
- Production capacity able to satisfy the customer requests (assembly lines)

## MASS PRODUCTION

- High production volumes and not much diversified
- The flow is possible along the assembly line but nor somewhere else
- The production process is segmented into subprocesses
- Difficult coordination with the Assembly lines
- <sup>"</sup> Material stock, buffers, Wip, etc increase
- Difficult coordination among depts (mainly for the product development)
- Workers utilizated only for their hands and arms (not brain)

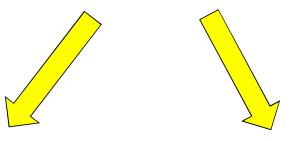


#### **PRODUCTION PHILOSOPHY EVOLUTION**





#### **AMERICAN CAPITAL EVENTS**



#### THE SECOND WORLD WAR

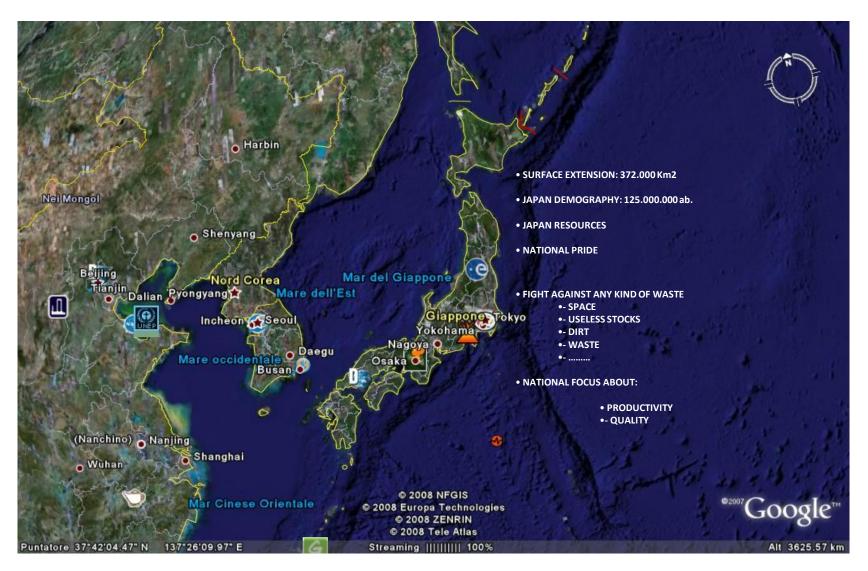
- Accelerated change of production process
- Sofisticated warefare Ë High production volumes
- Introduction of statistic control techniques
- <sup>"</sup> Improvement of production planning
- <sup>"</sup> Quality Control development

#### **AFTERWAR**

- **Fast reconstruction**
- <sup>"</sup> Sales booming
- Prevalence of American methodologies (mathematical models, simulation ...)
- Scientific approach, rationalization, optimization
- **Computer Era starting**



**JAPAN** 





#### **JAPANESE CAPITAL EVENTS**

- In 1945, August, Japan surrenders and close the II WW
- Taiichi Ohno moves to Toyota Motor Company (1008 car in 1949)
- Japanese market is characterised by small quantity and many models
- After 1950 (Korean war), sales volumes increase
- Japan starts using american mass production



Kiichiro Toyoda ondatore Toyota Motor Co Toyota faces a big crisis due to high volumes

. Half month they collect parts and the other half of the month they assembly

. The PUSH system provokes high and disomogeneous stock, with a lot of time waste

. The production system is rigid (vs the flexible request)

. small quantity production with high mix makes stocks due to set-up time very long.

. Overproduction increases manufacturing costs





#### **JAPANESE CAPITAL EVENTS**

- 1952-1956: Tough years to set up the new production system (TPS)
  - JIT
  - First application of kanban
  - Jidoka
  - standard definition
  - Kaizen implementation
- Trip in the USA SUPERMARKETS (1956)
- Full application of kanban in Toyota (1962)
- SuppliersĐfirst involvement about kanban (1963)
- Workers full involvement (Quality Circles -Suggestions) (first years 60)
- Kaizen full implementation (ab. 60)





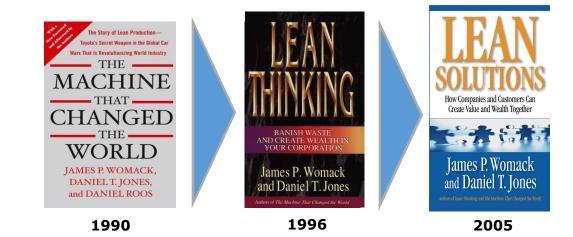
#### **OTHER CAPITAL EVENTS**

- Oil crisis in 1973
- Car Market drops
- World recession

Zero Growth

 Toyota shows very limited losses even earnings

Americans start understanding (1985)





Í Japanes Production is lean because uses less resources in comparison with the mass production Ë half of the workforce, half of production space, half of investment for toolsÅ

Besides, TPS requires much less than half of material stock and generates much less defects Å Î

John Krafcik (First american engineer working for Toyota in the States), International Motor Vehicle Program, 1985



Rank	1950	1970	2009	2014	2017	million
1	GM	GM	Toyota	Toyota	VW	10,40
2	Ford	Ford	vw	VW	Toyota	10,16
3	Chrysler	Chrysler	GM	GM	Renault-Nissan- Mitsubishi	10,11
4	Studebaker	VW	Renault <sup>1</sup>	Renault- Nissan	Hyundai-Kia	7,28
5	Nash	Fiat	Hyundai	Hyundai	GM	6,87
6	Kaiser - Fra.	Toyota	Ford	Ford	Ford	6,25
7	Morris	Nissan	Honda	Fiat-Chrisle	er Honda	5,35
8	Hudson	Renault	PSA	Honda	Fiat-Chrisler	4,86
9	Austin	BL	Fiat	PSA	PSA	4,16
10	Renault	Peugeot	Suzuki	Suzuki	Suzuki	3,14
	Toyota					

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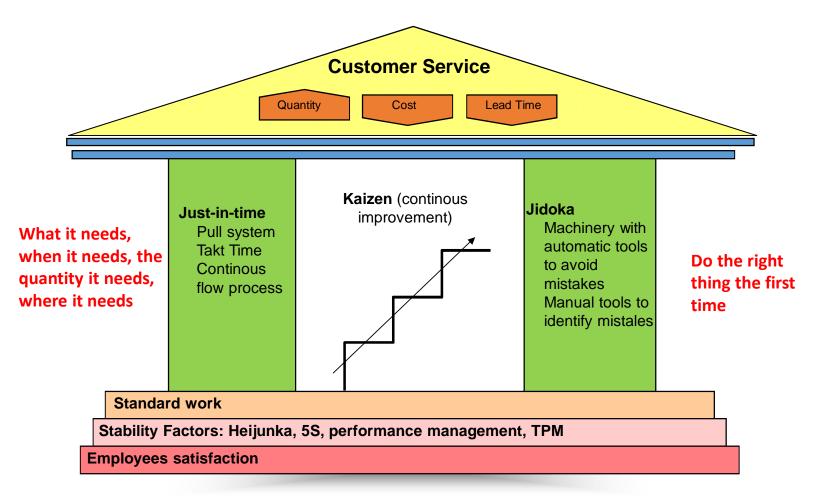


#### **COMPARISON TABLE**

		MASS PRODUCTION	LEAN PRODUCTION		
	MARKET	High volumes, Low variability	Low volumes, High variability		
	FLOW	push logic	pull logic + JIT		
	JOB DIVISION	Workersqrigid know-how collected into categories (es: welders millers,assemblers) Individual work	Workersoflexibility towards different operations to make easy the continous flow + kaizen Workgroups		
	PRODUCTION PLANNING	Local optimization, scheduling (es. economic lot, õ)	Global optimization by kanban, one piece flow, õ (manufacture only what is sold)		
	QUALITY APPROACH	Sustainable by stocks	Jidoka + problem solving +5S+Kaizen		
Materiale riserv Raffaele Campa		Controlled	Built-in		



#### Í Toyota Production SystemÎ



	IIVERSITÀ IGLI STUDI TRIESTE					7 TOOLS	COLLECTION SHEETS STRATIFICATIO N CORRELATION PARETO'S DIAGRAM	
							ISTOGRAMS CONTROL CHARTS ISHIKAWA DIAGRAM	
	TECHNIQUES					A3	5 WHYS	
	AND TOOLS					KEY PERFORMANCE INDICATORS		
						5 S		
					YAMAZUMI	AN	DON	FLASH MEETINGS
					ΤΑΚΤ ΤΙΜΕ	VISUAL MA	NAGEMENT	GROUP WORK
				ERGONOMY	KANBAN			EMPOWERMENT
	servato mpanella			TPM SMED	KAIKAKU JIT	PDCA POKAYOKE		INVOLVEMENT AGREEMENT
			SPAGHETTI CHART	OEE	HEIJUNKA	KAIZEN		INFORMATION
Materiale ri		WASTES	LABOUR TIMES STUDY	ONE PIECE FLOW	FROM PUSH TO PULL	SIX SIGMA		
Kattaele Cal		HOSHIN KANRI	CURRENT VMS	FUTURE VSM	PULL	JID	ΟΚΑ	MOTIVATION RESEARCH
	PRINCIPLES	DEFINE THE VALUE	IDENTIFY THE VALUE FLOW	SET UP FLOW ACTIVITIES	MANUFACTUR E PULLING THE PRODUCTION		PERFECTION	ATTENTION TO PEOPLE
	FOCUS	CUSTOMER				QUALITY EMP		EMPLOYEES



# **THE PRINCIPLES**

## **DEFINE THE VALUE**

## *"***IDENTIFY THE VALUE FLOW**

"MANUFACTURE ACCORDING TO Í pullî SYSTEM

# " SET UP ACTIVITIES BY Í FLOWÎ.

# **"PURSUE THE PERFECTION**



**DEFINE THE VALUE** 

WHAT IS VALUE?

## As "Value" we mean everything the Customer can see, touch, perceive, appreciate, admire...and make him/her willing to remunerate.

# Everything that the Customer does not perceive is waste (muda).



## **DEFINE THE VALUE**

**Í TO GET THE UNIVERSITY CAMPUS FROM PORDENONE RAILWAY STATION** 

- **TO GO WALKING**
- **TO USE A BIKE**
- **TO USE A MOTORBYKE**
- TO USE A CAR
- **TO GET A TAXI**
- **TO TAKE A BUS**
- **TO HITCH-HICKING**



#### **DEFINE THE VALUE**

example:

The welding of two metallic parts is surely a value-added operation because you add functions to the initial part

To assembly the door to the refrigerator is surely a value-added operation because it closes the space to be refrigerated







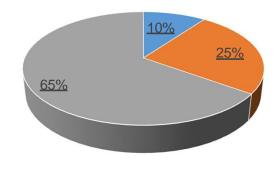
#### example:

Å .but protecting the surface of a stainless steel sheet by a plastic film to avoid sketches during the manufacturing process, cannot be considered at the Customers by a value-added operation because it has to be applied, then removed and finally dispose





## **IDENTIFY THE VALUE FLOW**



- ACTIVITIES CREATING VALUE (VA)

VA NVA1 NVA2

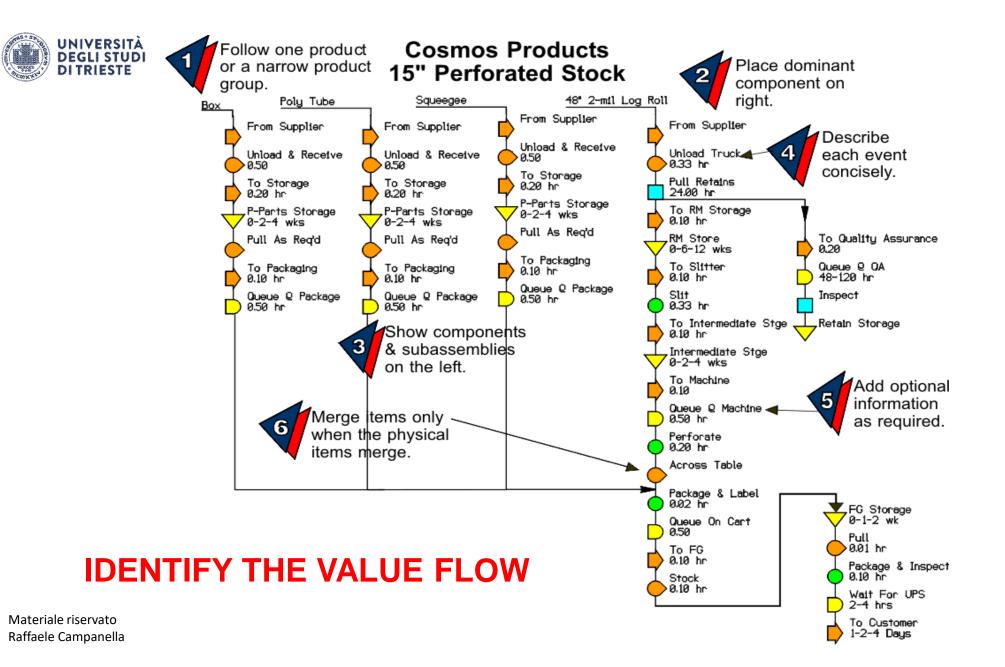
- ACTIVITIES NOT CREATING VALUE BUT NOT REMOVABLE AT THE MOMENT

- ACTIVITIES NOT CREATING VALUE AND EASILY REMOVABLE



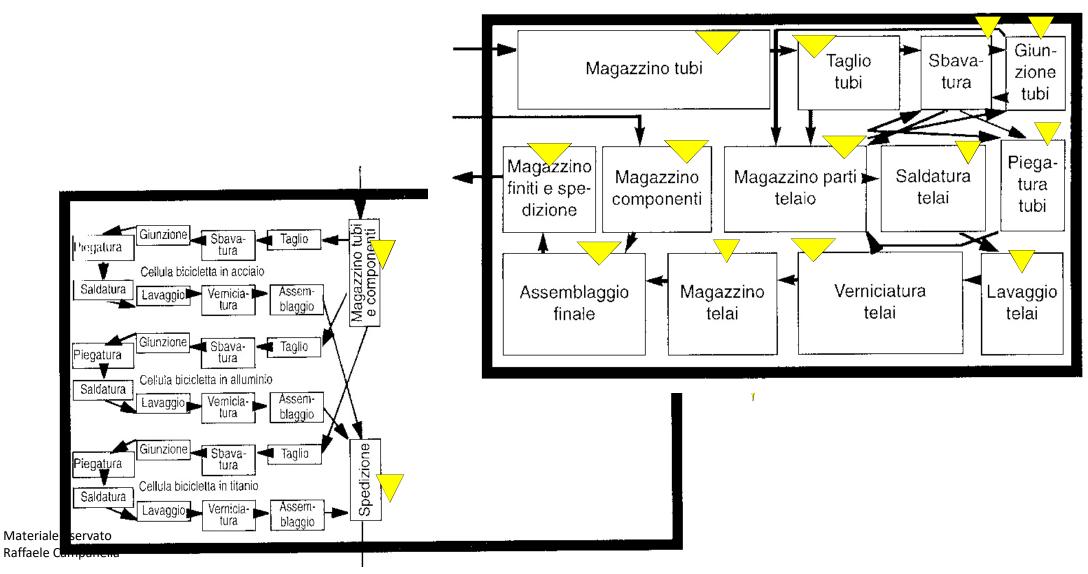
## **IDENTIFY THE VALUE FLOW**

Process Chart Symbols								
Sym	Name	Action		Examples				
•	Operation	Adds Value	Ê	Saw, Cut, Paint, Solder, Package				
	Transport	Moves Some Distance	E	Convey, Fork Truck, OTR Truck				
	Inspect	Check For Detects	٩	Visual Inspect Dimension Inspect				
0	Delay	Temporary Delay/Hold	STOP	WIP Hold, Queue				
$\forall$	Storage	Formal Warehousing		Warehouse or Tracked Storage Location				
•	Handle	Transfer Or Sort	ìť	Re-Package, Transfer To Conveyor				
$\diamond$	Decide	Make A Decision	×	Approve/Deny Purchase				





## MANUFACTURE ACCORDING TO Í pullî SYSTEM





# PULL PROCESS ORGANIZATION MEANS ALLOWING THE CUSTOMER TO PULL THE PRODUCTION

# THIS IS THE FOUTH PRINCIPLE OF LEAN THINKING

**YOU HAVE TO MANUFACTURE** 

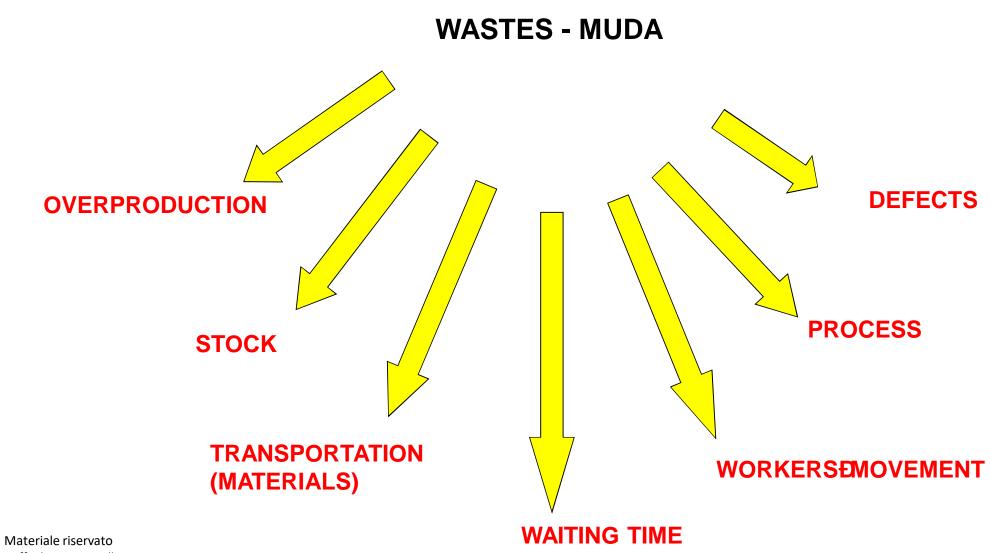
WHAT YOU NEED, WHEN YOU NEED, WHERE YOU NEED, THE QUANTITY YOU NEED



# THE RESEARCH OF THE PERFECTION IS THE FIFTH PRINCIPLE OF LEAN THINKING

**ZERO DEFECTS** 

**DO THE RIGHT THING THE FIRST TIME** 



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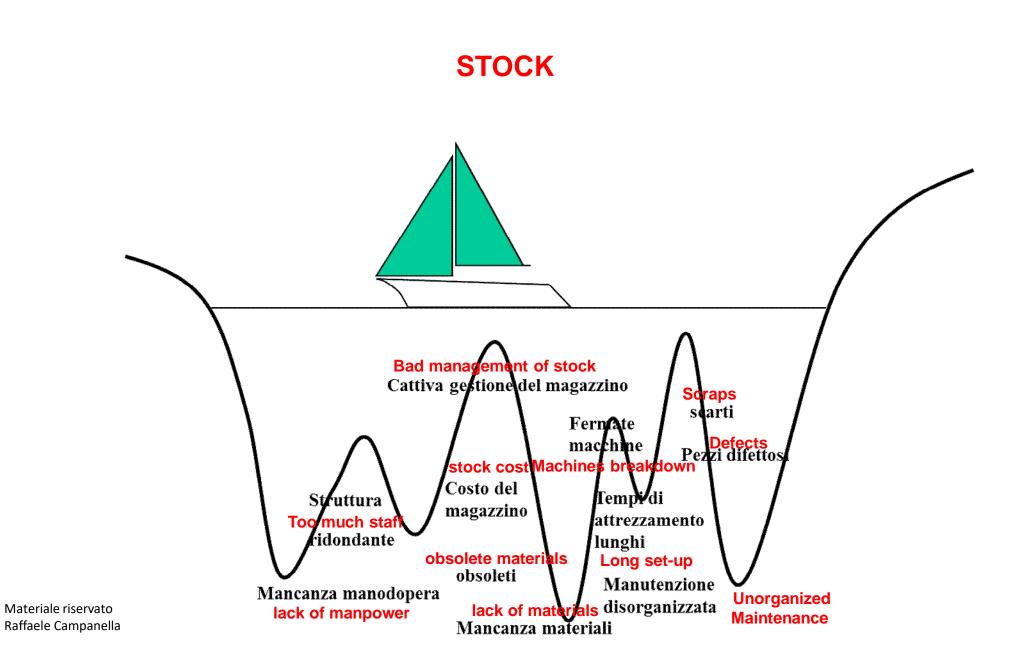
## **OVERPRODUCTION**



## **STOCK**







## TRANSPORTATION

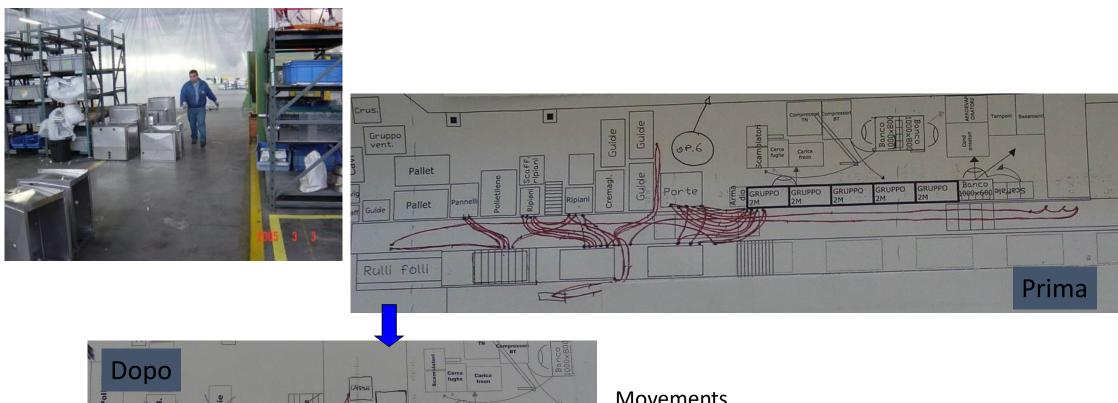


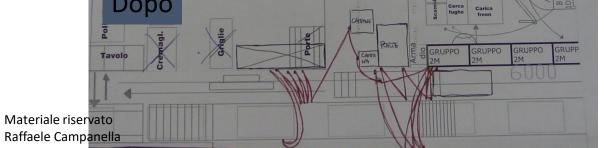
## WAITING TIME





#### WORKERSEMOVEMENTS





Movements reduced from 2 to 1,2 Km/day

#### **PROCESS**







- Lack of standardization
- Heating, cooling, drying timesÅ too long
- Instruments and Machinery too big and not coherent with the production
- Rifining, deburring, grindingÅ
- Protect and then uncoverÅ
- Å ..

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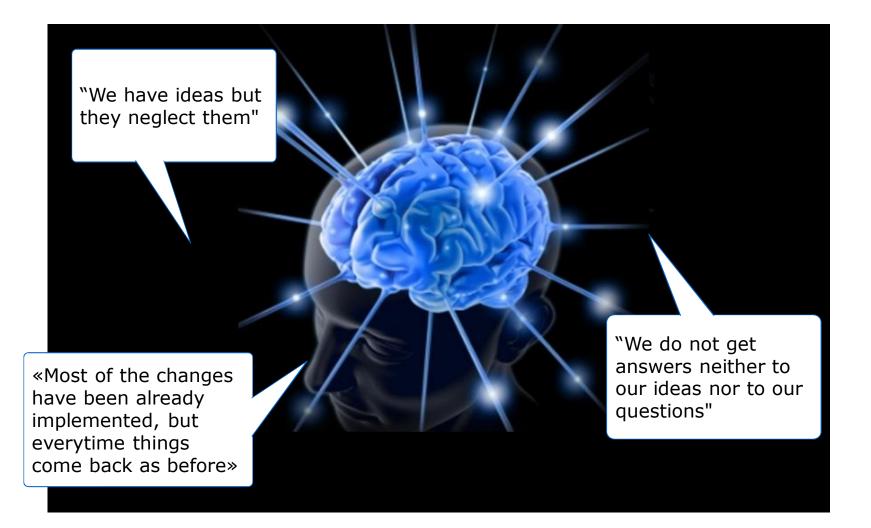




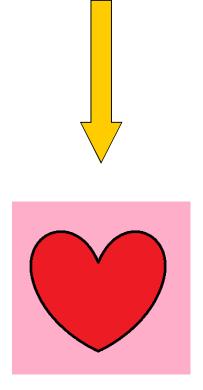




# The eighth waste is to neglect people potential



## **THE 9° WASTE!**



#### PERSONSEHEART: PASSION TO DO THINGS

State Street	UNUVEDEITÄ	I	1	I	I I			
	UNIVERSITÀ DEGLI STUDI					7 TOOLS	PARETO'S	
A PERCENT	DITRIESTE			ļ			DIAGRAM	
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	ļ						CONTROL	
	ļ			<u> </u>			CHARTS ISHIKAWA	
	ļ						DIAGRAM	
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	TECHNIQUES AND TOOLS					KEY PERFO	TORS	
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	ļ		<sup> </sup>	<b> </b>	YAMAZUMI	AND	DON	FLASH MEETINGS
					ΤΑΚΤ ΤΙΜΕ	VISUAL MANAGEMENT		GROUP WORK
	le riservato Campanella			ERGONOMY	KANBAN	STANDAR	DIZATION	EMPOWERMENT
				ТРМ	KAIKAKU	PD		INVOLVEMENT
				SMED	JIT	POKA	YOKE	AGREEMENT
		DEPLOYMENT		OEE	HEIJUNKA	KAIZ	ZEN	INFORMATION
			LABOUR TIMES		FROM PUSH TO			
Materia		WASTES	STUDY	FLOW	PULL	SIX SI	IGMA	COMMUNICATION
Raffaele		HOSHIN KANRI	CURRENT VMS	FUTURE VSM	PULL	JIDC	OKA	MOTIVATION RESEARCH
	PRINCIPLES	DEFINE THE VALUE	VALUE FLOW	SET UP FLOW ACTIVITIES	MANUFACTUR E PULLING THE PRODUCTION	RESEARCH F		ATTENTION TO PEOPLE
	FOCUS		CUST	OMER		QUA	LITY	EMPLOYEES