

# Operational Excellence

through CTPM's Australasian organic approach to

## TPM & Lean / CI

Webinar 35

9 February 2016

# Setting up a New Work Area using best practice thinking



Presentation by:  
**Ross Kennedy**  
President CTPM





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*People before Tools*

**Webinar 35**

**9 February 2016**

## **Outline of Presentation**

### **Setting up a New Work Area using best practice thinking**

1. Benefits of a team based approach
2. Using a 9 step process to ensure best outcomes
3. Role of New Equipment Management thinking
4. Role of Work Area Management or 5S thinking
5. Getting the most from your Checklists

# 1. Benefits of a team based approach

## Example New Area Management Teams

**New Zealand Sugar – Auckland NZ**

Rack 'N' Stack Team – FG Warehouse



**GF Longburn Dairy – Palmerston Nth NZ**

Tardis Team – Cultured Foods Pack off Area



**B&D Doors & Openers – Clontarf QLD**

Space Cadets Team – Storage & Handling of Roller Doors

Hit and Miss Team – Introduction of 3m Rule for Forklifts

Powder Puffs Team – Introduction of Powder Coated Panel Doors



## 1. Benefits of a team based approach

# Things to Remember about Teams

- Team Size should be 4-8
- Team Leader should be the person who will benefit the most from the team being successful
- Team activities should be scoped so they can be completed within 12 weeks or less

**Hence:**

Design Teams

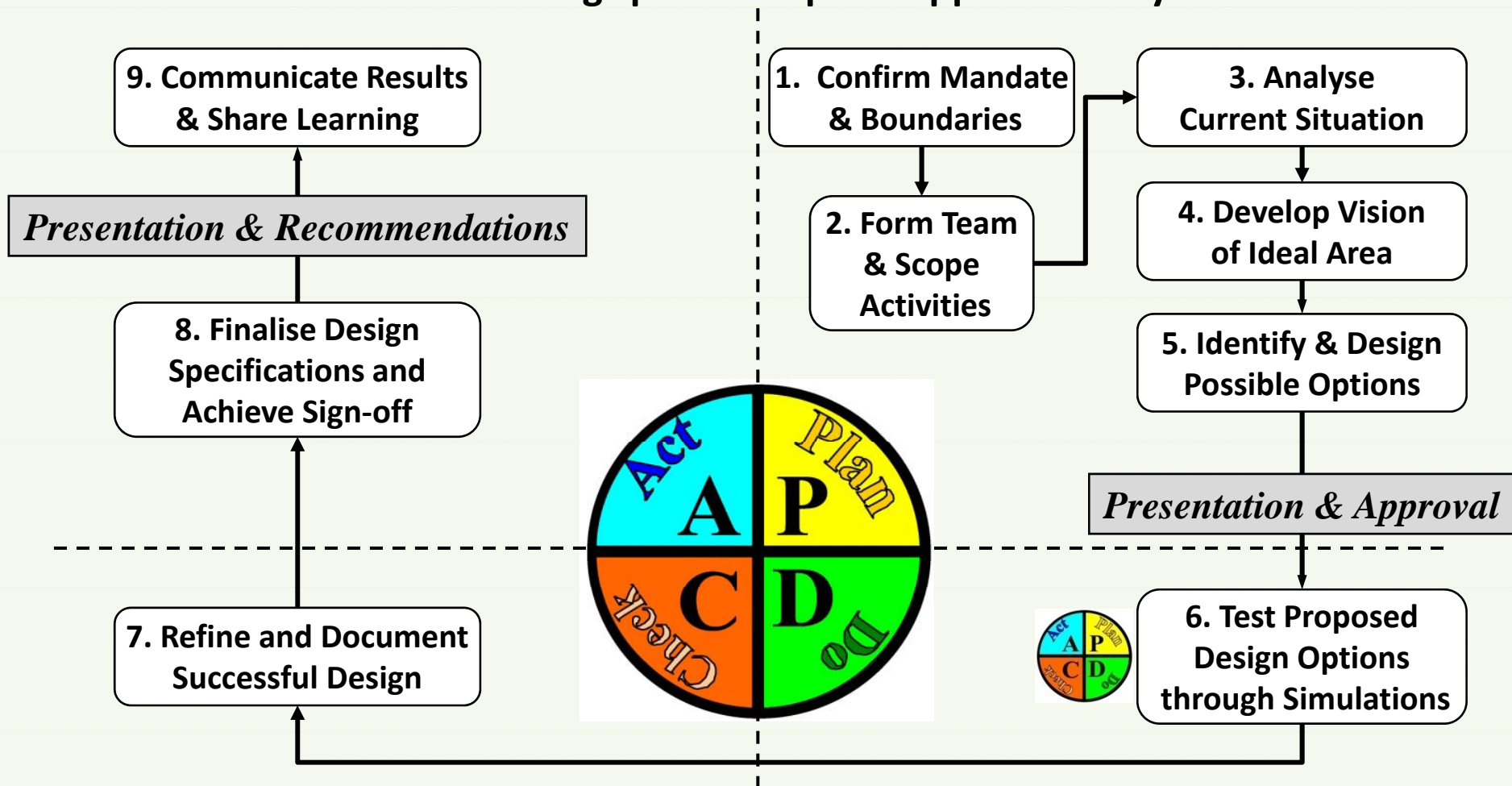
Install Teams

Design & Install Teams

## 2. Using a 9 step process to ensure best outcomes

# New Area Management – Design Only

typically a half-day kick-off workshop plus up to 11 weekly meetings involving  
1.0 - 1.5 hr meetings per week plus support activity time

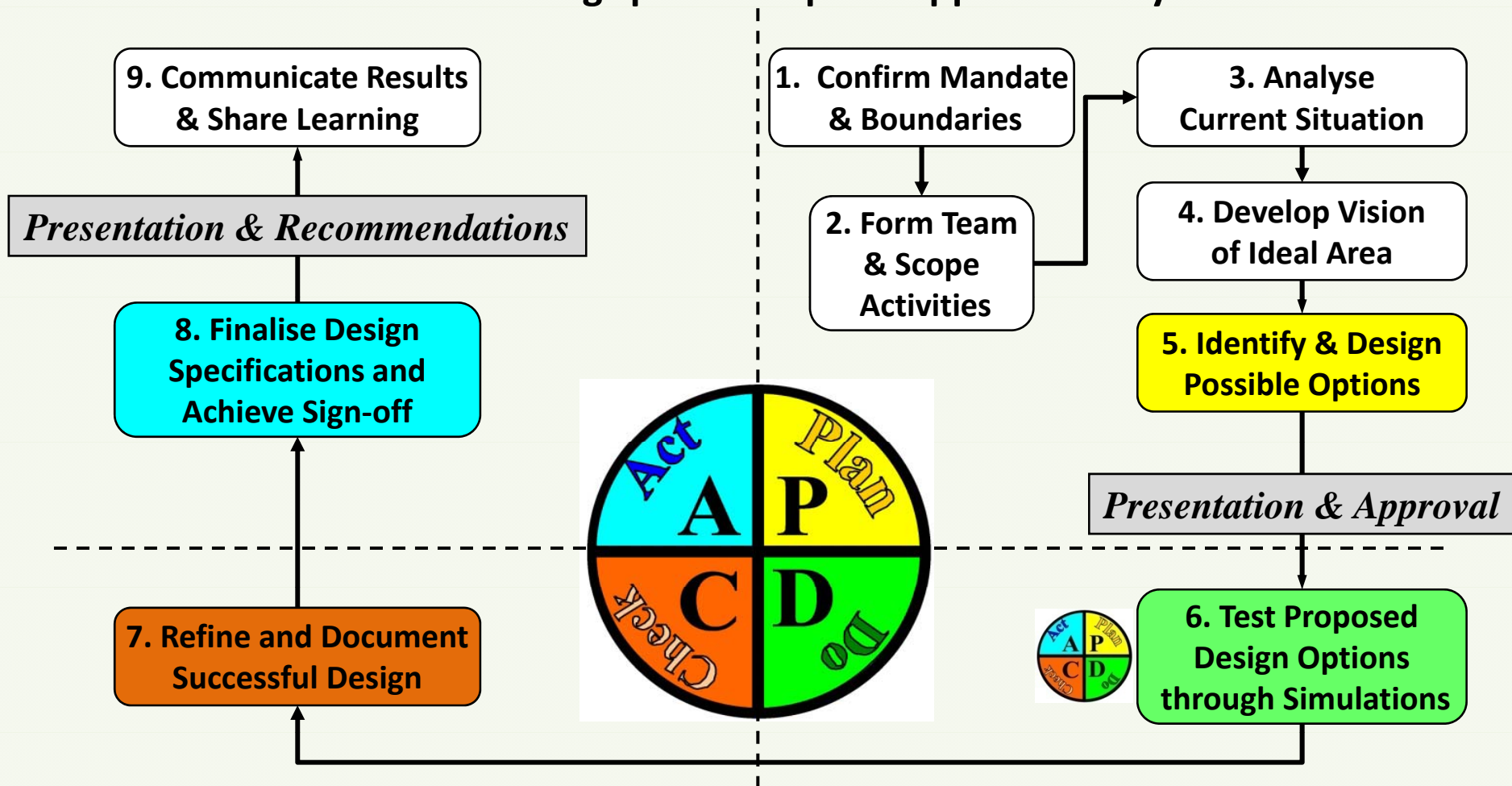




## 2. Using a 9 step process to ensure best outcomes

# New Area Management – Design Only

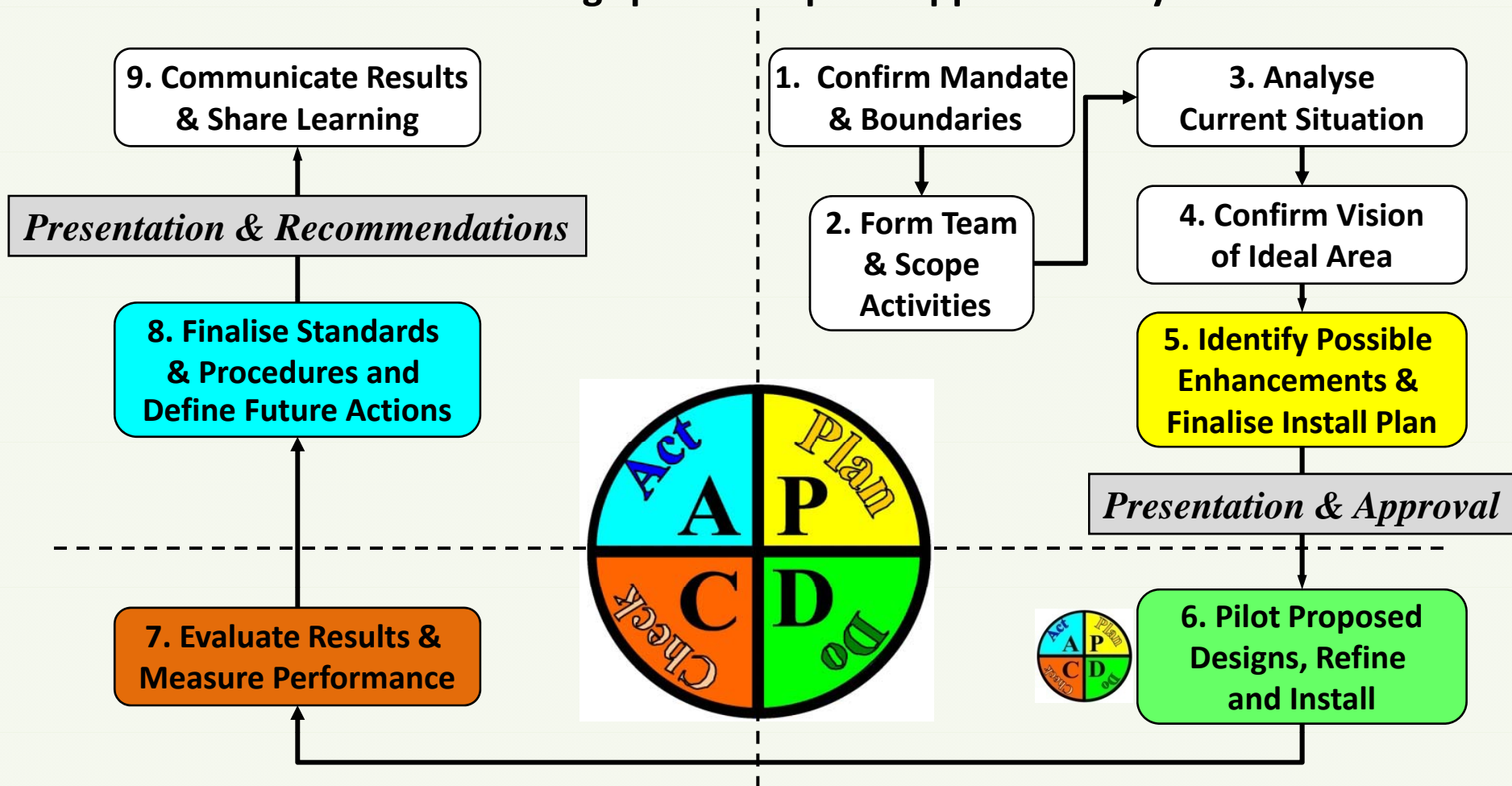
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## 2. Using a 9 step process to ensure best outcomes

# New Area Management – Install Only

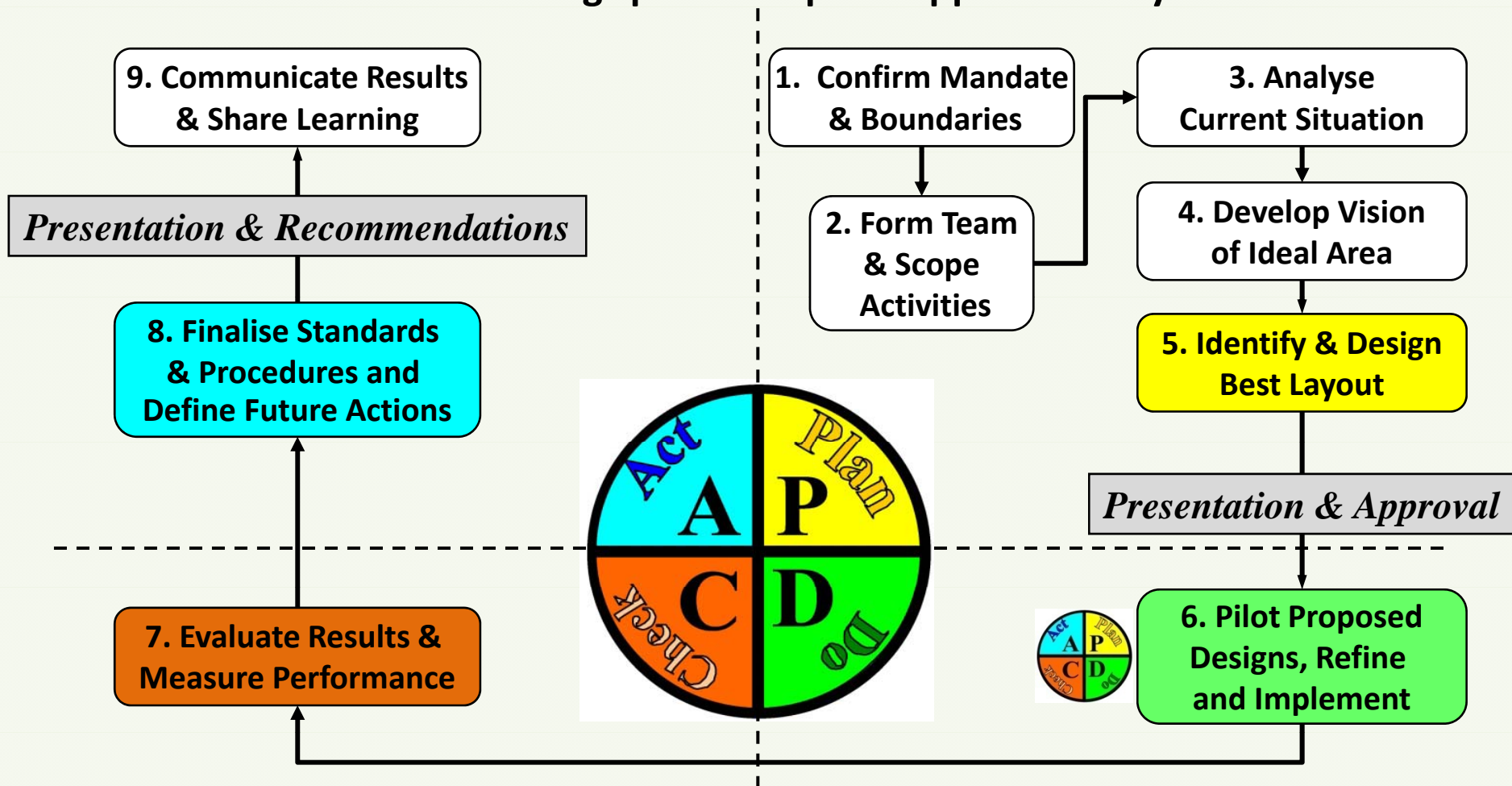
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## 2. Using a 9 step process to ensure best outcomes

# New Area Management – Design & Install

typically a half-day kick-off workshop plus up to 11 weekly meetings involving  
1.0 - 1.5 hr meetings per week plus support activity time





### 3. Role of New Equipment Management thinking

## Objectives of New Area Management

To apply the concepts of:

- **Prevention at Source Design**
- **User Friendly Work Area**
- **Checklists for Learning**

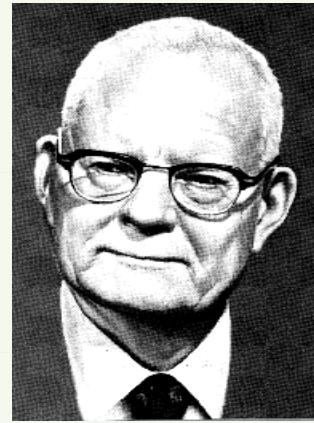
using Cross-functional Team(s) to design and install ***safe*** and ***effective*** New Area within the minimum Lead Time

***Remember: the quicker we get the New Area working,  
the quicker we get our payback***

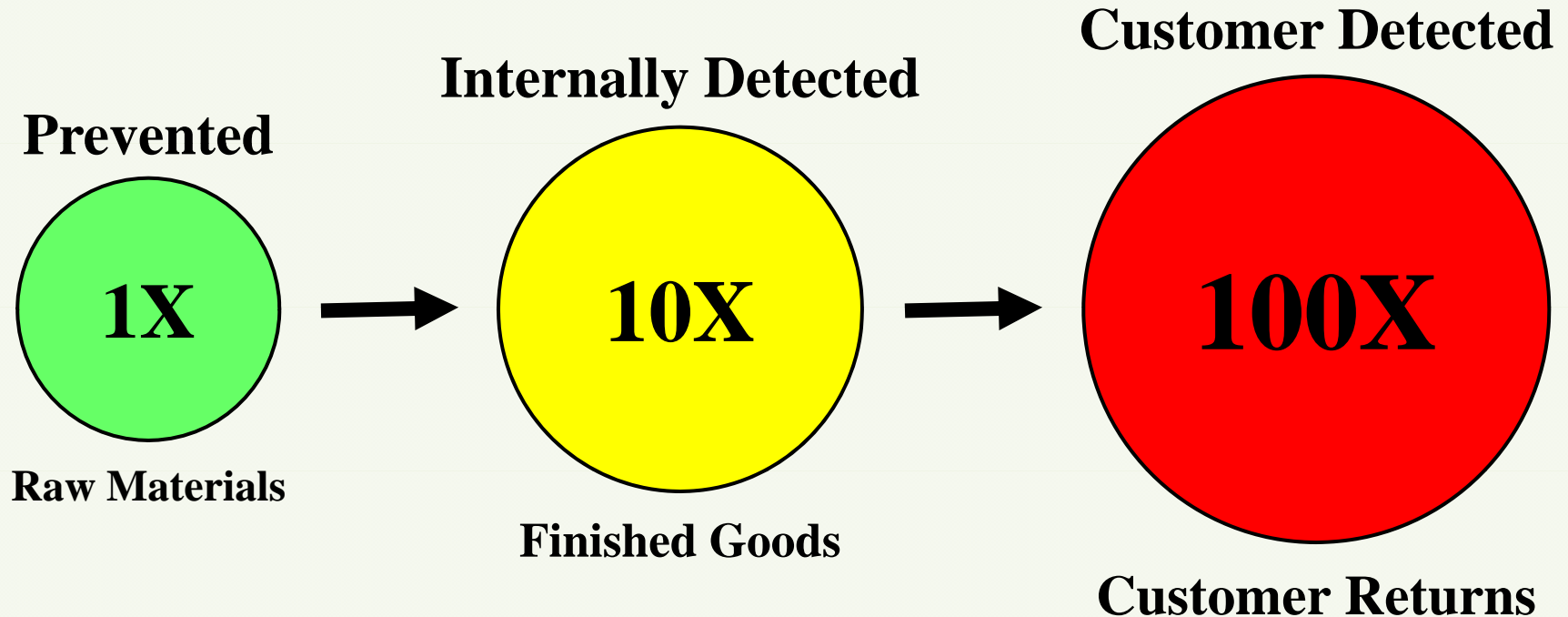
### 3. Role of New Equipment Management thinking

## Prevention at Source

*Finding Problems at Earliest Possible Time*



The cost of Product Defects when they are:



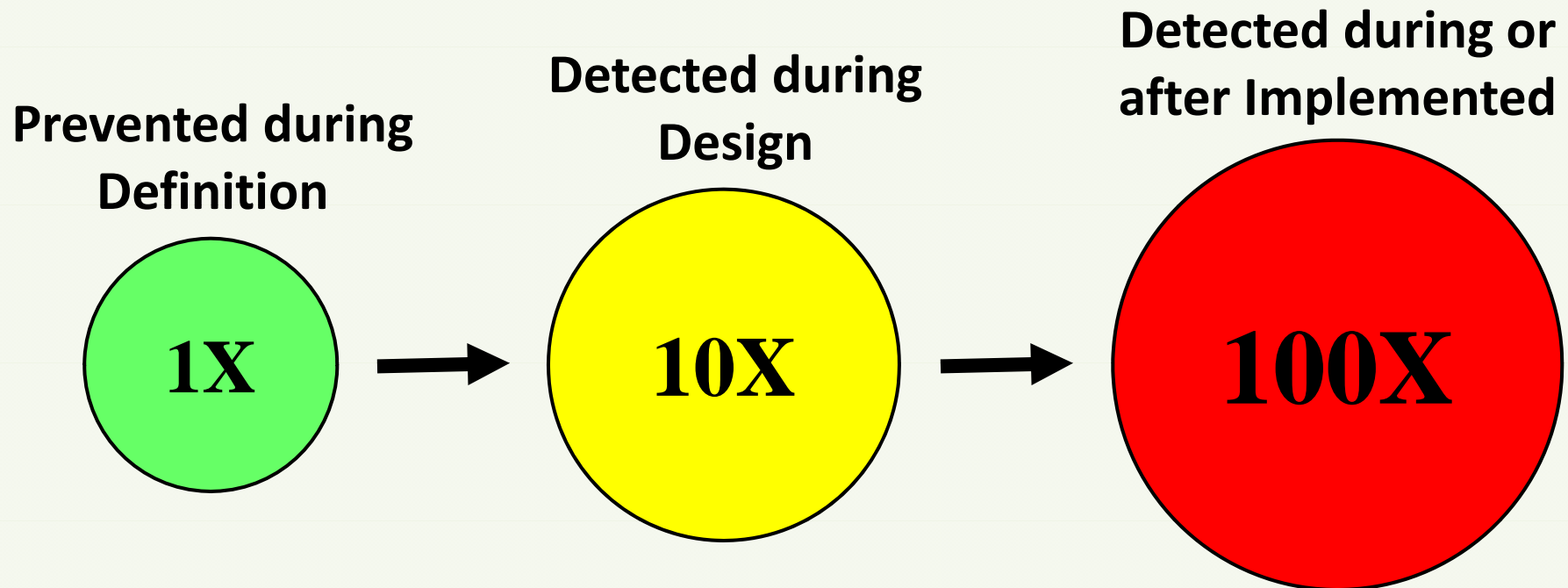
*finding problems at the earliest possible time*

### 3. Role of New Equipment Management thinking

## Prevention at Source Design

Defining and Designing to Avoid Problems / Wastes

The cost of Design Defects when they are:



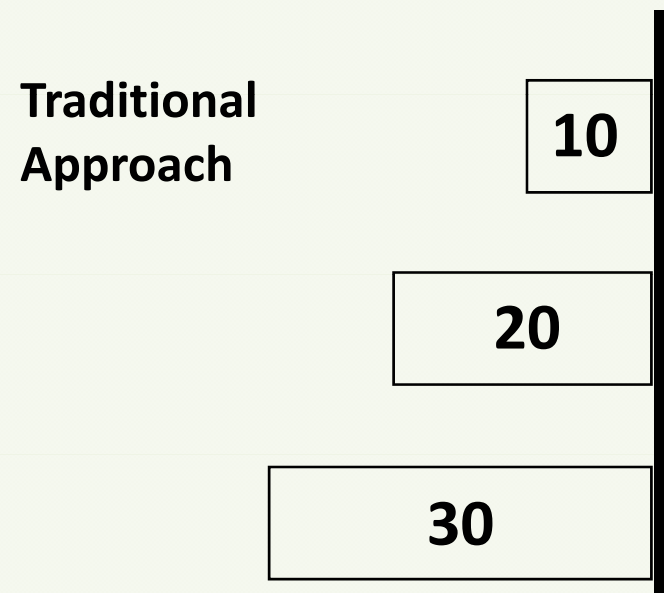
*Invest in getting the definition right by involving everyone*

# Prevention at Source Design approach being applied



## Shipbuilder A

*Thousand man-hours*



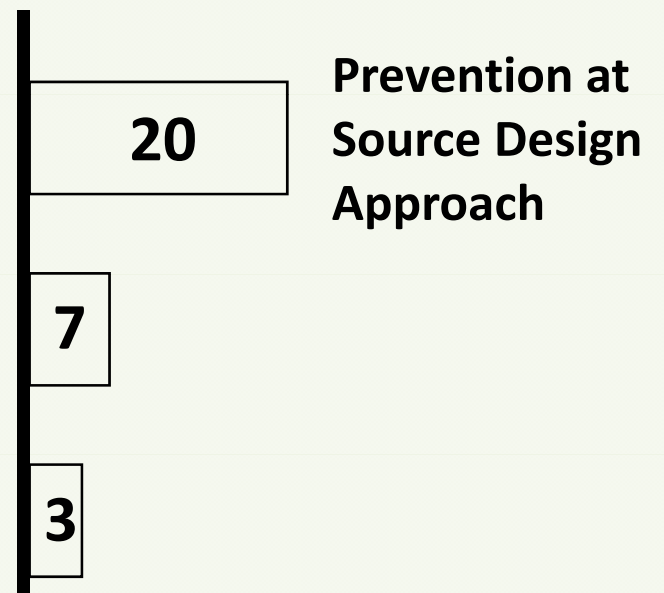
Definition

Design

Redesign

## Shipbuilder B

*Thousand man-hours*



Prevention at  
Source Design  
Approach

**60,000 man-hours Vs 30,000 man-hours**

### **3. Role of New Equipment Management thinking**

## **Prevention at Source Design**

**Defining and Designing to Avoid Problems / Wastes**

Prevention at Source Design involves getting all affected parties involved at the earliest possible time to use their collective experience to create a detailed design specification



# Rack 'n' Stack Team Photo

This team has over 103 years service at Chelsea



Mike

Russell

Richard

Ray

Jason

Rob

Jonaree

David

Design and Implement an effective plan for storing, picking & loading Equal Products

CTPM TPM & Lean / CI Annual Forum Team Competition 2014



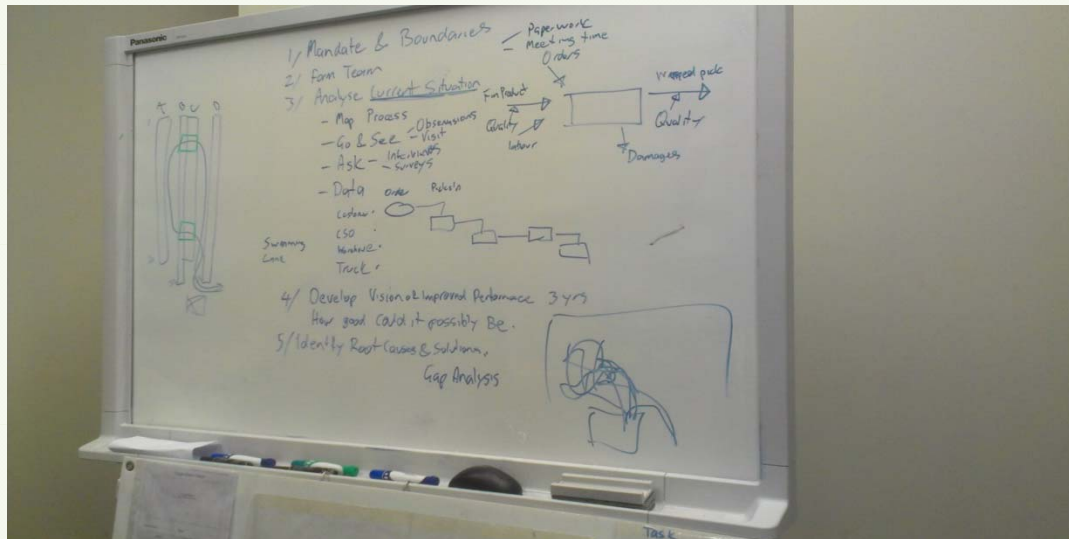
# Rack 'n' Stack Team

Design and Implement an effective plan for storing, picking & loading Equal Products



## Key Milestones to achieve Mandate

- Set up work area
- Confirm picking layout
- Analyse order profiles
- Establish new order picking processes



### 3. Role of New Equipment Management thinking

## Prevention at Source Design

Defining and Designing to Avoid Problems / Wastes

Prevention at Source Design involves getting all affected parties involved at the earliest possible time to use their collective experience to create a detailed design specification

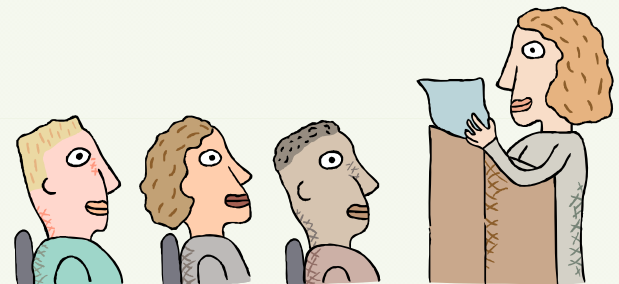
The Aim is to address the situation where:

“**Engineers** traditionally look at *Functionality* as the prime objective of design and often pay limited attention to *Operability, Maintainability, Standardisation* and *Trainability*”





# Ask the Audience



## 4. Role of Work Area Management or 5S thinking

# Role of User Friendly Work Area

**Laying out and Organising the Work Area so that we eliminate Non Value Adding activities (7 Wastes) such as:**

1. Manual Transportation, Conveyance or Sorting products and raw materials
2. Unnecessary Movement or Waiting - Looking for things (e.g. tools, cleaning items, raw material, etc)
3. Access to services (e.g. water, compressed air, power, steam, lighting, drains, refrigeration, gas etc)

**Remember!**

***“a place for everything and everything in it's place”***

***Or***

***Anything that saves Time!***



goodman fielder  
our homegrown food company

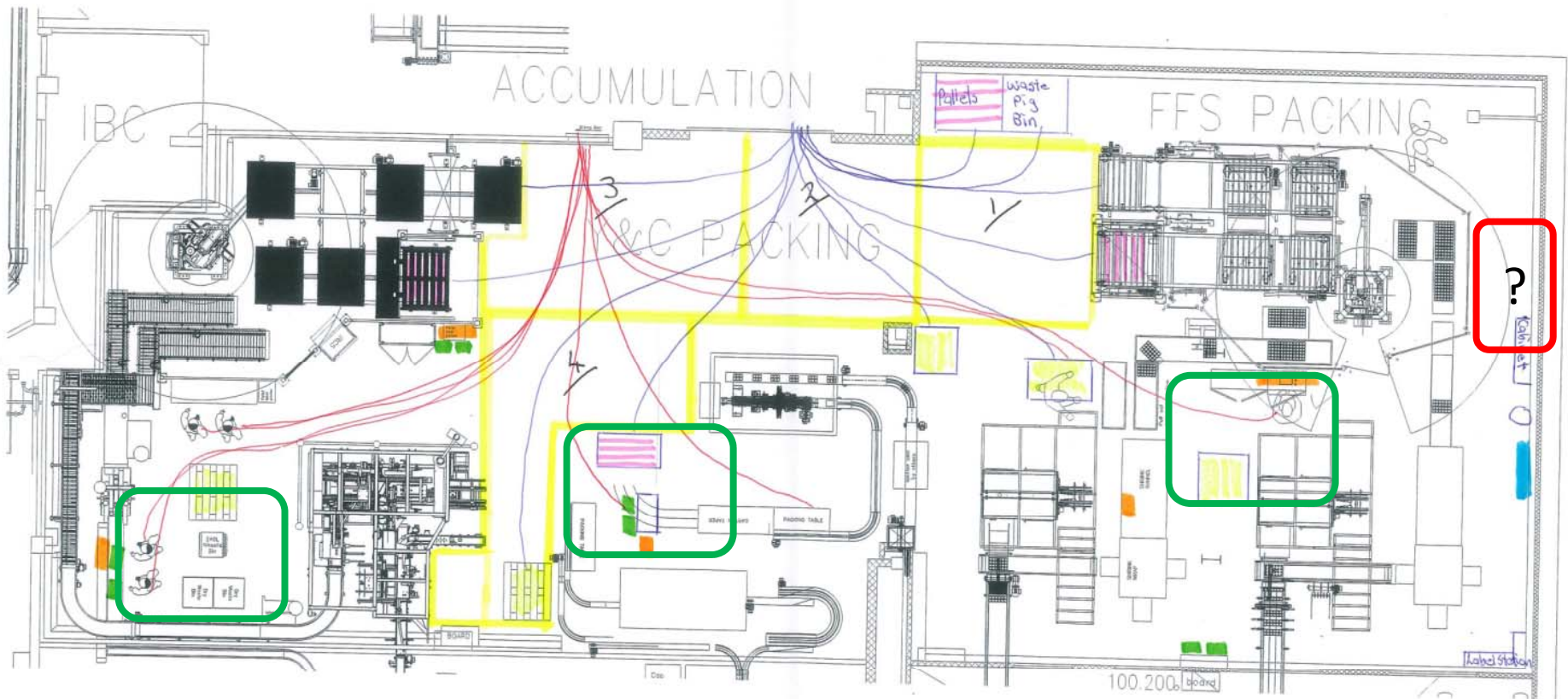


# Spaghetti Diagram – with improvements

Implementation of exclusion zones

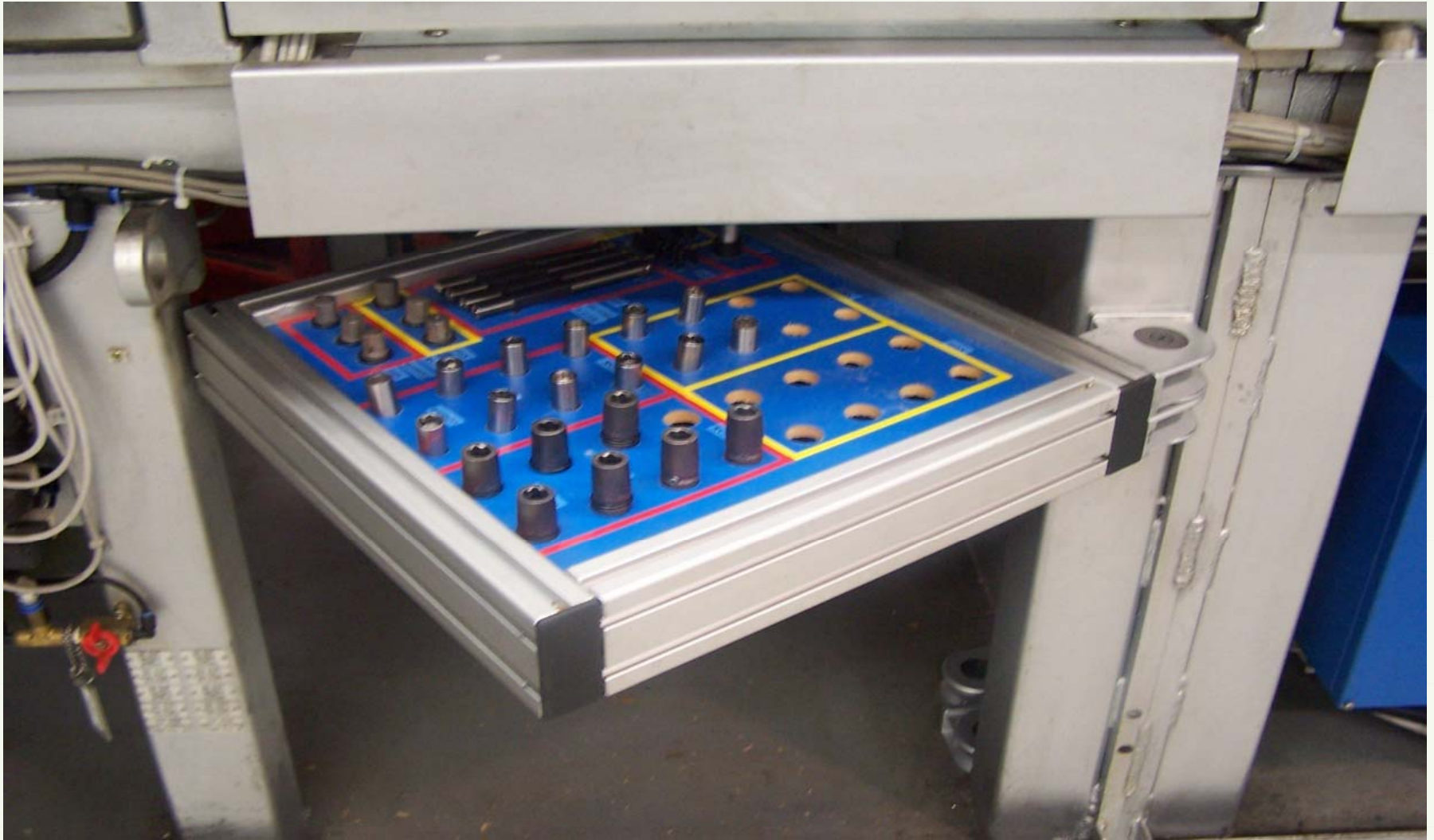
Individual work stations with the days supplies (labels, tape etc)

Relocate grading function outside this area





# Visual Controls in Work Area

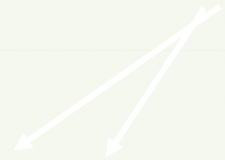




# Visual Controls in Work Area



# Visual Controls – Changeover Trolley





## 5. Getting the most from your Checklists

### New Area Management Checklist Analysis

Review all New Area Management Checklists that have been developed by previous teams to ensure they are current and appropriate.

**Checklists should cover at least:**

- OH&S
- Environment
- Traffic Flow
- Storage
- Ergonomics

If previous checklists don't exist, use the samples on next pages to create your initial checklists

**Taken from Step 3 of New Area Management Team Member Manual**

## 5. Getting the most from your Checklists

### Sample Checklist to address Traffic Flow in New Area

Use the Checklist below to ensure all Traffic Flow issues will be addressed in the New Area

No.	Traffic Flow Requirements	Required		Comments
		✓	X	
1	Materials entering the work area (method & pathway)			
2	Materials leaving the work area (method & pathway)			
3	Materials moving to storage (method & pathway)			
4	Materials moving from storage (method & pathway)			
5	Material Handling Equipment			
6	Material Handling Equipment storage			
7	People entering the work area (method & pathway)			
8	People leaving the work area (method & pathway)			
9	Door Openings support traffic flow			
10	Information movement to area			
11	Information movement from area			
12	Forklift movement eliminated or minimised			
13	Visual Controls appropriate and comply			

#### Notes:

**People** could refer to production (operators), maintenance, support (quality etc), visitors etc

**Comply** refers to both statutory requirements and site standards

# Learning from Teams



**Doors & Openers®**

THERE'S SO MUCH MORE BEHIND A BED DOOR

- Working through problems in a group can come up with multiple solutions instead of just one
- Working through multiple solutions in a group can sometimes eliminate other problems

## **Hit and Miss Team – Introduction of 3m Rule for Forklifts**

- Opportunities are there – just got to look for them
- Great idea generation from the team
- Consultation is critical
- We can develop a plan to solve the problem ....but sometimes the first plan is not necessary the best!

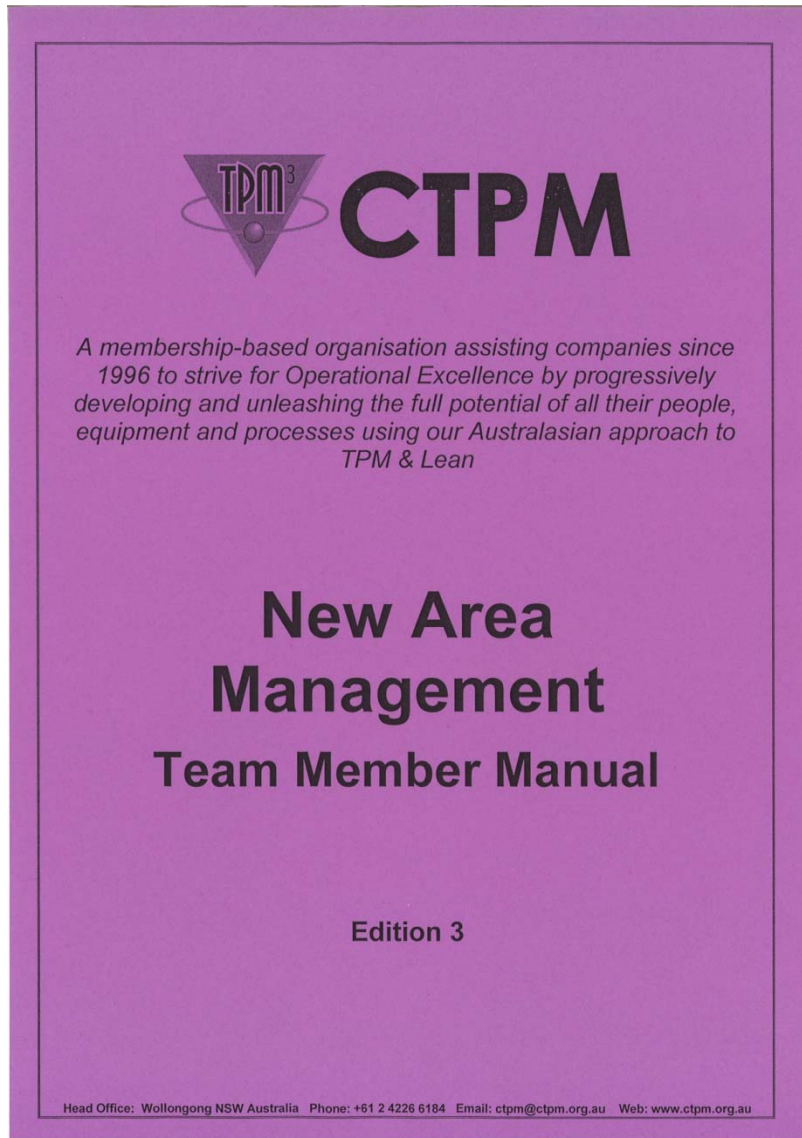
## ***Powder Puffs Team – Introduction of Powder Coated Panel Doors***

- Don't get tunnel vision on one solution

## ***Space Cadets Team – Storage & Handling of Roller Doors***



# How can we help ?



## **New Area Management - Ed 3 Team Member Manual**

5 or more is \$80 + GST

10 or more is \$64 + GST



# How can we help ?

**CTPM**  
Assisting you to develop your people  
through CI - People before Tools

**Connecting the CI Community of Australasia  
through CTPM's new Company Membership Program**

CTPM has been assisting Australian and New Zealand companies on their Continuous Improvement journeys for 20 years, over which time we have built up a significant knowledge base and network.

We believe it is now time to share with the broader CI Community of Australasia to ensure all companies are able to further develop their in-house CI capability.

Previously this knowledge base and network has been restricted to clients, now CTPM is opening access to this via an exciting new CTPM Company Membership Program.

The program is open to any site or department wishing to learn more about CI by sharing their learnings to the mutual benefit of Australasian Industry.

A key focus of our approach is to facilitate learning between sites or departments when it is convenient for all concerned, rather than be prescriptive with a set of pre-arranged events.



**NEW & FRESH APPROACH**

**Flexible Networking and Learning**

**Keeping you up to date on  
latest Thinking & Events**

**Exclusive Access to 3 Key Enablers  
of Successful CI Capability**



**BENEFITS OF MEMBERSHIP**

Total flexibility to suit your specific needs

Opportunity to develop relationships with other sites or departments facing similar challenges or who have overcome the challenges you face

Access to the knowledge of our team of experienced CI Specialists who collectively have 135 years industry experience; 60 years consulting / facilitating / training experience and 50 years at CTPM

Access to over 12 years of benchmarking data on Australasia industry with simple tools to assess how your site compares in relation to Quality, Delivery, People Engagement, Maintenance Effectiveness and Workplace Culture

**CTPM Company Membership has  
an annual fee of \$200 (Incl GST)  
per site or department**

**Special Offer: 50% Discount for the first year  
of Membership (available until 30 June 2015)**

**www.ctpm.org.au**

## Membership Benefits include:

- Receiving a copy of Rack 'N' Stack presentation and video
- Receiving a copy of this presentation
- Plus a lot more







 **CTPM**  
Company Membership Program  
**CI Community of Australasia**  
37 Sites



TREASURY WINE ESTATES



Norske Skog

goodman fielder  
our homegrown food company



Humes

AstraZeneca



 Dominion Salt



Doors & Openers

THERE'S SO MUCH MORE BEHIND A BD DOOR





# *Question Time*



**Presentation by:**  
**Ross Kennedy**  
**President CTPM**

**Email:** [ross.kennedy@ctpm.org.au](mailto:ross.kennedy@ctpm.org.au)

**Phone:** 02 4226 6184

**Web:** [www.ctpm.org.au](http://www.ctpm.org.au)

