

# Lean Enterprise Division

## August 2009 Highlights

- 2 Kitchen Kanban
- 4 The Power of Networking!

## Chair's Message

Hello Lean,

It is hard to believe but another World Conference on Quality and Improvement has come and gone and here we are now enjoying the summer months.

I would like to thank everyone who stopped by the LED booth in Minneapolis, MN, and I would like to extend a special thanks to those who joined us for our networking session. It was great to meet so many of our LED members.

Now we are setting our sights on the Lean and Six Sigma Conference, March 8–9, 2010. Please note the name change, as this is a conference that offers many sessions on lean. I hope to see many of our LED members in Phoenix, AZ, next March!

Thanks to the ongoing efforts of Frank Murdock, our membership chair, we have started an initiative in which members of the LED Leadership Team are making calls to new members to welcome them to the division and to also collect some voice of the customer data. This has proved to be a very rewarding experience and we have gained information on which the following requests are based from:

**Articles and Case Studies** – Please send any article or case study highlighting your experiences(s) with lean to Wendy Gomez at [wendy.gomez@danmer.com](mailto:wendy.gomez@danmer.com). Also, if you are interested in writing an article and would like to share it with LED members, contact Wendy. We will collect as many articles or case studies as we can to post on the LED Web site at [www.asq.org/le](http://www.asq.org/le), or even publish in an upcoming newsletter.

**Speakers Database** – Members often look for someone to speak at a section meeting or similar event but do not have any contacts. If you are interested in speaking at these types of events, please contact me at [waynepaupst@gmail.com](mailto:waynepaupst@gmail.com). Once we start to accumulate some names, we will initiate a database that all members will be able to access to find potential speakers in their locations.

**Facility Tours** – If there are any organizations working with lean that are willing to open their doors to tours or visits, please contact me at [waynepaupst@gmail.com](mailto:waynepaupst@gmail.com) with the company and its contact information. As with the speakers, we would like to generate a database with the various organizations for everyone to access.

One final note: On September 11, 2009, Linda Milanowski, our ASQ Community Development liaison in Milwaukee, WI, will observe her 20th year with the Society. Linda not only works with us on the LED team but with many other divisions and sections as well.

**Congratulations, Linda, and thank you for all you do for us!**

I wish you all a very safe and wonderful summer, and as always, thanks for “leaning with us.”

*Wayne Paupst*  
Chair, Lean Enterprise Division  
[waynepaupst@gmail.com](mailto:waynepaupst@gmail.com)



## Lean Enterprise Division Contacts

**Wayne J. Paupst, chair**  
BES Consulting  
waynepaupst@gmail.com

**Kiami Rogers, chair-elect**  
Maxim Integrated Products  
krogers\_asq@verizon.net

**Frank K. Murdock, VoC & membership**  
Kobalt Partners LLC  
fkmurdock.kobalt@gmail.com

**Robert M. Johnson, past chair**  
Tyco Fire Suppression & Bldg. Prod.  
jobbymjohnson@yahoo.com

**Robert W. Damelio, BoK & certification**  
The Bottom Line Group  
rwdamelio@gmail.com

**David Behling, programs**  
Velvac, Inc.  
dbehling@velvac.com

**Tammy Lynn Miller, secretary**  
Plexus  
tammymiller@plexus.com

**Chad E. Vincent, treasurer**  
Baxter Healthcare  
chad\_vincent@baxter.com

**Wendy Gomez, newsletter editor**  
Danmer, Inc.  
wendy.gomez@danmer.com

**Alan Mendelsohn, discussion board**  
Resources Global Professionals  
asmquality@aol.com

**Don Smith, education**  
Net Results, Inc.  
don@netresultsgroup.com

**Adil Dalal, education**  
Pinnacle Process Solutions, Intl.  
adil@pinnacleprocess.com

**Linda Milanowski, staff liaison**  
American Society for Quality  
lmilanowski@asq.org

# Kitchen Kanban

## A “Lean in Life” Article

by *Don Smith, CQIA*

Many people think that using the tools of quality improvement, in general, and the tools of lean process, in particular, to make things in your life easier is a difficult and daunting thing to do. Based on my wife’s and my personal experience, I can assure you that using some of the tools of lean to improve things in your life can be as easy as simply going to the grocery store!

Unlike many of the tools of quality, which involve rigorous mathematical calculations, the tools of lean processes are common sense methods for reducing the complexity, and waste, in your life and making things easier.

One lean tool in particular that can make your life easier, and a little bit less expensive, is “kanban.”

Wikipedia, the free online encyclopedia, offers the following definitions for kanban:

The Japanese word kanban (pronounced “kamban”) is a common everyday term meaning “signboard” or “billboard” and utterly lacks the specialized meaning that this loanword has acquired in English. According to Wikipedia, a “loanword” is a word taken directly from one language into another, with little or no translation.

In English, kanban is a signaling system used to trigger particular actions. So that a production process is never starved for the parts, or raw materials, the process needs to support production without interruption. As its name suggests, kanban historically uses cards to signal the need for an item. However, other devices such as plastic markers (kanban squares), balls (often golf balls), empty part-transport trolleys, empty part or material containers, or empty floor locations can also be used to trigger the movement, production, or supply of parts, or raw materials in a factory.

How, you might ask, can kanban make my life easier, and/or less expensive? Let me explain by giving you a simple real world example.

My wife and I both enjoy corned beef hash and eggs for breakfast. We don’t eat it every day, but when we decide we want hash and eggs for breakfast, we don’t want to be disappointed. How then can we make sure we have the necessary ingredients we need for our favorite breakfast?

1. We could decide to go to a restaurant for breakfast whenever we want hash and eggs. This alternative would involve additional cost for our breakfast and the possibility of wasting time trying to find a restaurant that offers hash and eggs as a menu item, and that has the proper raw materials in stock.
2. We could buy hash and eggs, by the case, so that we would always be sure to have the raw materials for our favorite breakfast on hand when we wanted that particular breakfast. Of course, this alternative significantly increases our inventory carrying costs, and exposes us to the risk that the hash and/or eggs we have in stock may have exceeded their respective shelf lives, and have become unusable.
3. We could set up a system that would alert us when we are getting low on the necessary ingredients for making our favorite breakfast, and that would trigger the actions necessary for us to obtain more ingredients in anticipation of our next breakfast “demand.”

Alternative no. 3 is where kanban comes into the picture. Instead of buying hash and eggs by the case, we normally keep two cans of hash in our pantry and a dozen eggs in a see-through plastic container in our refrigerator. Here is our process:

- Step 1. Having decided to make hash and eggs for breakfast, we remove a can of hash, and the appropriate number of eggs (five when it’s just the two of us) from the refrigerator, and make breakfast.

*cont. on p. 3*

## *Kitchen Kanban cont. from p. 2*

- Step 2. When we remove the can of hash from the pantry, an empty space appears on the shelf. This empty space is the kanban that triggers adding hash to the signboard (shopping list) posted on our refrigerator.
- Step 3. When we remove the five eggs from the see-through container in the refrigerator, empty spaces appear in the egg container. These empty spaces are the kanban triggers adding eggs to the signboard (shopping list) posted on our refrigerator.
- Step 4. The next time we go to the store, typically once a week, we buy a replacement can of hash and a half-dozen eggs, and restore the balance in our kitchen inventory. The replenishment of this kitchen inventory fills in the empty spaces that were the kanbans triggering resupply. At the same time, we cross these two items off of the signboard (shopping list) posted on our refrigerator.

These actions restore our inventory balance, and we are ready when the next demand occurs.

- Note 1. You may wonder why we don't further reduce our inventory carrying costs by keeping only one can of hash and a half-dozen eggs, in inventory. The answer is demand surge. If we have company for breakfast, or decide to have hash and eggs twice before replenishing our inventory, we still have sufficient inventory to cover the demand surge before we replenish our inventory.
- Note 2. You may wonder why we replace the five eggs we used with six eggs. This would suggest that we will keep building our egg inventory. There are a couple of reasons for this. First, eggs purchased from our egg supplier only come in half- and full-dozen lot sizes. Second, since I am not terribly proficient in the kitchen, we frequently have losses in our egg inventory that need to be cleaned up off the floor.

Where else, in your everyday life, might you be already applying the principles of kanban without realizing it?

How about in your workshop or office? Normally, when you use fasteners, such as screws, nuts, and bolts in your shop, and staples or paper clips in your office, you normally don't wait until your inventory is zero before you replenish your inventory. When your supply of fasteners gets low, that low level of existing fastener inventory serves as the kanban that triggers resupply actions, telling you to replenish your inventory. In fact, in our house fasteners also wind up on the signboard posted on our refrigerator.

What we can see from these two simple examples is that, without realizing it, many of us are routinely applying the principles of kanban in our everyday lives, and that application of a lean process is helping us simplify our lives and reduce our inventory costs.

What other examples can you think of where the principle of kanban is helping you simplify your life?



**About the Author:** Don Smith is chair of the Lean Enterprise Division's Education and Training Committee. In addition to his work with LED, Smith is the director of training resources for Net Results, Inc., a small global consulting company based in Prospect, KY. Smith is an ASQ Senior member, holds advanced degrees in both industrial engineering and education, and has extensive experience in process improvement and technical training, including courses related to lean. You can reach him at [dons@speedbeam.com](mailto:dons@speedbeam.com).

## Lean Enterprise Discussion Board

The Lean Enterprise Discussion Board allows members to share ideas, opinions, and information about lean quickly and easily. Organized by topics in an easy-to-follow format, the discussion board is designed so you can quickly locate information, find other knowledgeable users, and participate in conversations. By participating in a Lean Enterprise Discussion Board, you can share your expertise, learn from your peers, and dialogue with other quality professionals.

You can access the Lean Enterprise Discussion Board by visiting <http://www.asq.org/discussionBoards/forum.jspa?forumID=34&start=0>.

So what are some of the recent topics that members have asked questions about and responded to?

- Is batch and queue sometimes OK?
- Setup reduction ideas
- Practical lean farming
- Lean Six Sigma initial deployment
- Green is the new lean
- News regarding the division
- Determining value-added steps
- Lean for SME in less developing countries
- Standard work templates
- Lean ISO
- Value Stream Mapping software

All discussion boards are open to any ASQ member, even if you do not belong to that particular division. A listing of all boards can be found by logging onto the ASQ Web site at [www.asq.org](http://www.asq.org) and on the left side under Knowledge Center, click "Tools & Resources", then "Quality Resources", and then "Discussion Boards".

## Biographical Summary



### Alan Mendelssohn

Alan Mendelssohn is a process improvement consultant with Resources Global Professionals. He has extensive experience in the design, implementation, and management of process management, continuous improvement, lean, and Six Sigma initiatives within diverse industry settings.

Prior to joining Resources Global Professionals, Mendelssohn spent 20 years in the electric utility industry in a variety of cost engineering, project management, and continuous improvement positions. His involvement in continuous improvement initiatives began in 1983 while at Florida Power and Light Company. CI initiatives have been his full-time focus since 1991. He also served as director of quality for Budget Rent a Car and as director of continuous improvement with AAR CORP; he was responsible for all aspects of continuous process improvement in both organizations.

Mendelssohn has a master's degree in nuclear engineering, is an ASQ Senior member, and is an ASQ Certified Six Sigma Black Belt. He has authored numerous papers and articles on process improvement and project management over the years and has also served a number of years as an examiner for the Baldrige Award at both the national and state level.

## The Power of Networking!

by *Kiami Rogers, LED Chair-Elect*

Have you experienced the power of networking? It has been stated that only 2 to 5 percent of jobs are documented and listed in some sort of publication, such as help wanted, job boards, or Internet ads. Research studies have shown more than 85 percent of all jobs are obtained through networking and more than half of those are due to referrals from others. Perhaps you are aware of slightly different statistics, but the message is the same...there is power in networking!



### A case in point...

When I was the chair of ASQ's Dallas Section, I was e-mailed a request to post a job description to our Internet site by another Dallas member. Upon posting the ad, I responded with my own résumé for consideration, even though I was employed. Within a couple of weeks, the hiring manager contacted me and asked me to stop into the office for an interview for the posted job. During the interview, the hiring manager mentioned I would be a good fit to fill a gap in the organization—a position that he was considering, but that had not been documented. After the job position was created and approved, I became a statistic: I am one of a large percentage of people who obtained an interview as a result of my network and got a job offer as a result of a job position not publicized or documented. Perhaps you have a similar story to share.

Whether a personal or professional network, whether online or in person . . . there is power in networking!

If you are not networking, it is not too late. With more than 6,000 LED members worldwide, just think of all those resources to tap into. We have created two social networks for LED members to join in two different online venues: Facebook and LinkedIn. Chris Anderson, the LED Internet liaison, is managing the Facebook network; I am managing LinkedIn.

Did you know there are only two lean networks (solely lean concepts, not lean and Six Sigma for example) on LinkedIn? I created the LinkedIn LED network in February. Thus far, about 1,300 of the 6,000 LED members have joined. If you have not already done so, please join us! The network has lively discussions, as well as news and job postings. Request to join this network by logging in at <http://www.linkedin.com/>.

Come "lean with us!"

*Kiami Rogers can be reached at [krogers\\_asq@verizon.net](mailto:krogers_asq@verizon.net).*



Chad, Kiami, and Wayne received ASQ's Quality Management Program award at the World Conference on Quality and Improvement in Minneapolis.



## Delivering Global Value and Excellence Through Lean and Six Sigma

# Join us for the 10<sup>th</sup> anniversary!

Lean and Six Sigma Conference  
Phoenix, AZ • March 8–9, 2010

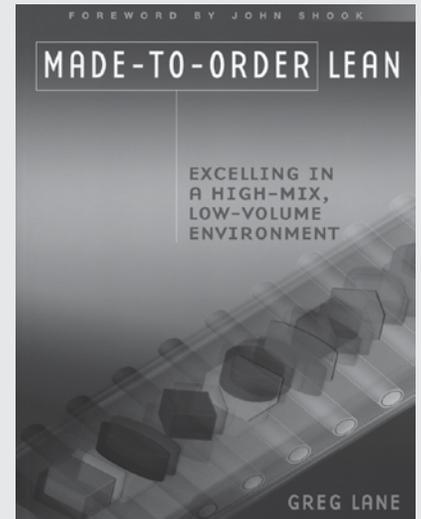
Whether you're starting your Lean Six Sigma journey or you're a skilled veteran, this conference has invaluable skills to offer you. Ninety-five percent of the 2009 conference attendees say they would recommend this conference to others—and we are confident the 2010 conference will deliver the latest in Lean Six Sigma tools, methodologies, and solutions to eliminate waste and improve your organization's bottom line.

Learn from proven firsthand applications, technical applications, and best practices in the concurrent sessions. The 2010 conference will also feature networking and learning opportunities from sponsors and exhibitors from a variety of markets addressing various levels of experience.

*"ASQ's Lean and Six Sigma Conference offers consistently strong agendas of relevant topics and knowledgeable and interesting speakers wrapped in a great venue with lots of networking opportunities."*

*—Deborah Neuscheler, Fritsch, NJ*

Learn more at <http://sixsigma.asq.org>.



### Made-to-Order Lean

*Greg Lane*

Toyota Production System methods have rendered remarkable results in high-volume manufacturing plants, but they have not been fully understood and correctly applied in high-mix, low-volume environments. While lean principles do apply, the implementation methods and tools must be adapted and alternate methods embraced in a low-volume environment.

*Made-to-Order Lean* is specifically geared for manufacturers that have hundreds to thousands of active part numbers with few or no ongoing forecasted volumes, and for job shops that build only to order. The primary focus is eliminating nonvalue-added activities and instituting improvements on the most repetitive jobs—a strategy that gives you more time to produce your low-volume work or one-offs.

*Made-to-Order Lean* is a must-have for plant managers, manufacturing managers, and lean practitioners who need to apply lean principles effectively in their job shops, re-manufacture/repair, and high-mix, low-volume plants.

Item: P1315

Member Price: \$52.95

Visit <http://www.asq.org/quality-press> for more information or to order.



600 N. Plankinton Ave.  
Milwaukee, WI 53201-3005 USA  
USA and Canada: 800-248-1946  
Mexico: 001-800-514-1564  
International: +1-414-272-8575  
Fax: +1-414-272-1734  
www.asq.org

NON-PROFIT  
U.S. Postage  
PAID  
Milwaukee, WI  
Permit No. 5419

Lean Enterprise Division | August 2009 | Volume 8, Issue 1



## Note From the Editor

“Pleasure in the job puts perfection in  
the work.”

Aristotle (384 BC – 322 BC)

As Wayne mentioned in his Chair’s  
Message, our ASQ Community  
Development liaison Linda Milanowski

will be observing her 20th year with ASQ. Living in such an  
ever-changing and fast-paced world, long-term commitments have  
become somewhat elusive if not challenging. I wanted to take this  
opportunity to also recognize and thank Linda for all of her help  
with the newsletter and our division. While much of her work on the  
newsletter is behind the scenes, it truly would not be able to come  
together without her help, knowledge, and expertise. Congratulations,  
Linda on reaching such a wonderful milestone!

Best regards,

**Wendy Gomez**

wendy.gomez@danmer.com



### **Please consider the environment.**

Do you really need a paper copy of this  
newsletter? Please send a message to  
lmilanowski@asq.org with “Electronic Only”  
in the subject line.