

Value Stream Leadership – a new development programme

Some ten years ago, Steve Briault, Brian Swain and a number of other people with whom we were associated, led the designing, writing and production of a work-based, Total Quality focused management development programme for what were then known as supervisors. The programme was called First Line Management. Time has gone on – Rubicon Associates was formed, we trained hundreds of people, won a National Training Award using the course as a supply chain development tool and were/are very proud of the FLM programme.

We are now taking the next step. The original programme is somewhat dated and out of print. We are now working extensively with companies who want to pursue a path of Lean development and they are asking for new ways to train their managers. Our answer is to develop another Integrated Learning programme which meets the needs of these companies for first line, middle and senior management development in implementing Lean Thinking.

In the pursuit of this goal a group of seventeen company representatives, consultants and academics met at the Rubicon offices to begin the specification process. The workshop participants spent an intense day and a half in dialogue and discussion, contributing to the content,

methods and rationales for such a programme. An outline specification will soon be circulated to all interested parties.

The new programme will be created for use by companies and consultants through a licensing arrangement. It is envisioned that user companies will receive the programme in a digital format which will then be customised and printed by them as they require. Implementation of the programme will take a flexible approach with users having a number of pathways through the material, working in learning groups supported by an learning advisor (internal or external) and their managers. Please contact Brian or Steve if you would like to follow this product as it develops.

Process Mapping in Retail

Rubicon Director Steve Briault has helped the market-leading Austrian retail chain **dm Drogerie Markt** to create a comprehensive, detailed map and assessment of their core processes. Starting with the product stream, a “diagonal slice” project team guided by Steve analysed and documented the flows of products, services, demand-information, supply-information, and money – right through the organisation between **dm**'s suppliers upstream and its customers downstream. On the way, staff were interviewed and observations recorded in relation to bottlenecks, waste, responsiveness and organisational structure. The results and methods were presented to **dm**'s management conference in October, and are now being enthusiastically taken up and applied by improvement project teams in many parts of the Company. To assist this next phase, Rubicon is providing **dm** with an updated and enhanced version of our Improvement Project Manual and Toolkit, which now contains the principles and methods of Lean Thinking and Work Structuring as well as Quality Improvement – all translated into German!

Coaching at SmithKline Beecham

Gordon Collins, founder of the Coaching Network, in Canada, was asked by Brian Swain to lead a coaching development programme for SmithKline Beecham International's sales division. Gordon has pioneered the concept of the “Coaching Network” and has an innovative approach to the coaching process. Brian had been approached by SB International because of a two year Co-Development Through Mentoring programme that he had run with Steve

Briault and George Perry at the SB manufacturing site in Crawley, UK. This new programme was launched last year during a four-day pilot workshop and review which coincided with the solar eclipse. However, the clients were not left in the dark about the potential and benefits of the approach; the overall programme will roll out across Europe over the next eighteen months with a number of Rubicon's associates from around Europe participating.

The Hathaway Factory Lean Transformation

Hathaway Roofing is one of the largest metal roofing and cladding companies operating throughout the UK. They have undertaken a company-wide transformation process, now in its third year, which is being facilitated by Rubicon Associates, supported by County Durham Business Link and guided by the principles of Lean Thinking. As a strategic element within the larger transformation of the whole company, Hathaway's fabrication factory was the focus of the first phase in its change process. This phase is now coming to completion. The rest of the company is still systematically advancing the Lean approach from customer relations through estimation, design, planning, purchasing, site management to site construction. The following presents a short account of the issues faced by Hathaway's factory before its lean transformation and an outline of some of the benefits they have gained since.

The Hathaway factory is situated at Bishop Auckland in County Durham. It is the custom fabrication plant for the company's UK-wide roofing and cladding operations. The factory is dedicated solely to the fabrication of the metal gutters, flashings, doors, windows, and other custom-made products which are installed by the company's sub-contracted construction crews onto the metal frames of many of today's typical industrial and commercial buildings. The factory is situated in one building covering 3321 square meters and it employs around 50 people.

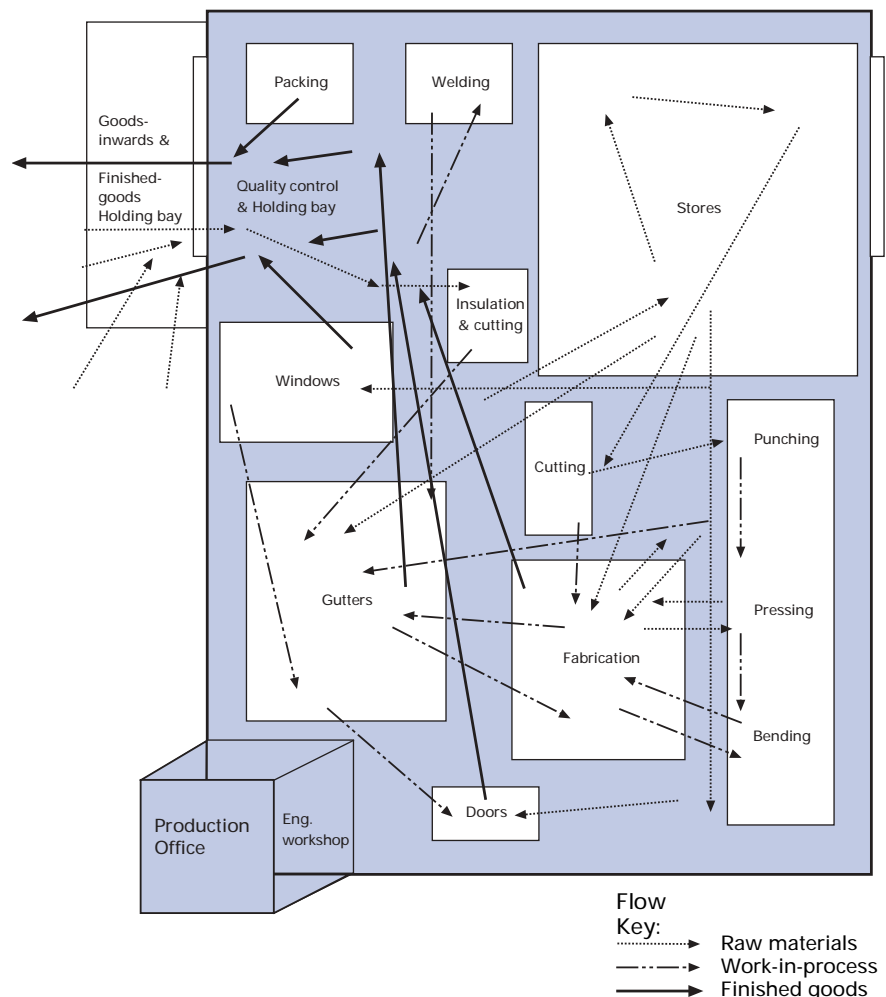
Before the factory began its transformation, in the Spring of 1998, it looked like many of the inefficient, functionally organised, small to medium sized fabrication sites which one can find throughout the U.K. (see diagram 1). The big pressing, punching, bending and cutting machines were all in a row against a wall at one end of the factory. A number of workbenches were in front of them so that whatever had just been cut, pressed, bent and punched could be assembled. Stretching off to the other end of the factory were storage racks. They were full of work-in-progress kits and an enormous array of materials that were waiting for jobs or had been left over from jobs. Smaller pieces of equipment were scattered around the site. Because the factory's machines –

great and small — were all used at various times by many different people for every kind of job, there was no overall logic to their placement. To facilitate the

movements of materials, wide passageways were cut between and around work stations so that fork trucks could make their way. Yet the aisles were invariably full to overflowing with work-in-progress due to the many physical process bottlenecks – and to the start-stop dynamics caused by juggling orders competing for the same resources – so common to this type of custom-build job shop. To many people, it must have appeared to be a healthy factory full to brimming with jobs to be done. In fact it was wasteful, chaotic and inefficient.

Coached and guided by Rubicon consultants, and hand in hand with their operators, the factory's managers have changed the factory's layout (see diagram 2) and implemented lean operating procedures, delivering the following outcomes:

Diagram 1 The Hathaway Factory *before* its Lean Transformation



New factory layout:

- dedicated goods-inwards-only doors
- a one-way delivery system
- new raw materials stores area
- four main east-west oriented manufacturing cells
- dedicated entrance and exit area
- dedicated and movable equipment
- Bits & Pieces fifth cell
- new production office, maintenance shop and improvement centre

Innovations in procedures and methods:

- Just-in-time deliveries and pick-ups
- Reduction of consumable suppliers
- Cell teams trained in change-overs, set-ups and routine machine maintenance
- Packing crews integrated into each cell
- Innovation of packing boxes and stillages
- Specially designed push trolleys and roller lines

- First-in-first-out (FIFO) production control system
- New job ticketing system
- Continuous improvement system
- New bonus system

Bottom line results to date:

- Inventory reduction = from £300K to £100K
- Lead time reduction = 30%
- Machine set-up reduction = from 3 hours to 30 minutes
- Productivity increase = 35%

The factory, with its greatly increased capabilities, provides the key to delivery throughout the Hathaway supply chain. Without the factory developing in the way it has, the effectiveness of other developments would have been greatly constricted. As it stands, the factory is now able to meet the expanding needs of the sites by delivering, just in time, just what is needed.

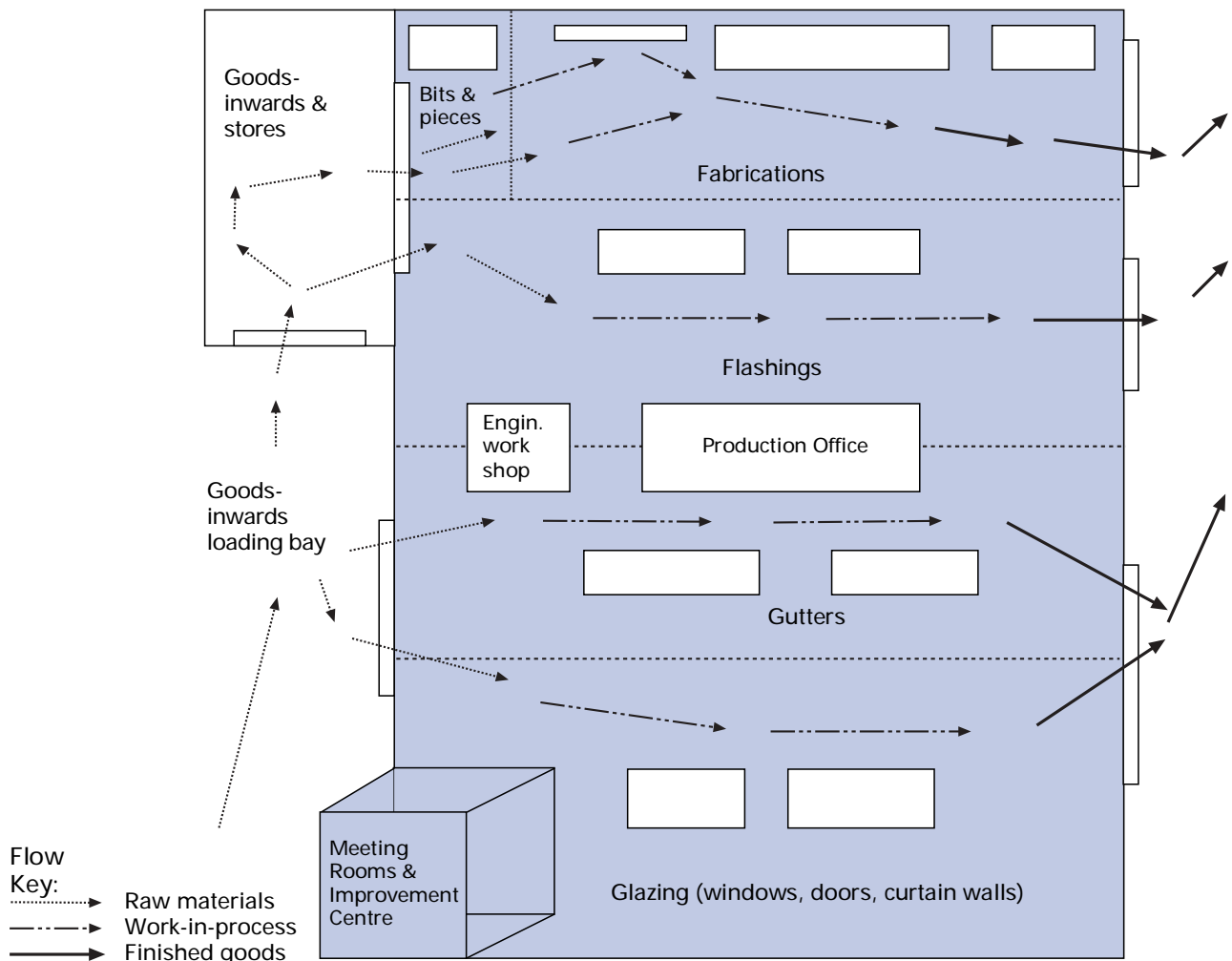
Lean Construction

Due to its first-hand and on-going experience with Hathaway Roofing's lean transformation, as well as its work with other clients in the construction industry, Rubicon Associates is now offering Rethinking Construction workshops.

These cover such topics as:

- Partnering of Client, Architect, Prime Contractor, Suppliers and Trade Contractors
- Concurrent Engineering of the total design process
- Production Control through assignment and resource shielding
- Innovation and continuous improvement on site
- Prefabrication and the future of construction

Diagram 2 The Hathaway Factory *after* its Lean Transformation



Rubicon offers: Specialist Consultancy Services

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Organisation, Team and Job Design
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New Product Introduction Systems
Marketing and Business Planning
Personal and Vocational Counselling
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360° feedback

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The Winning Contract
Project management
Career Transition

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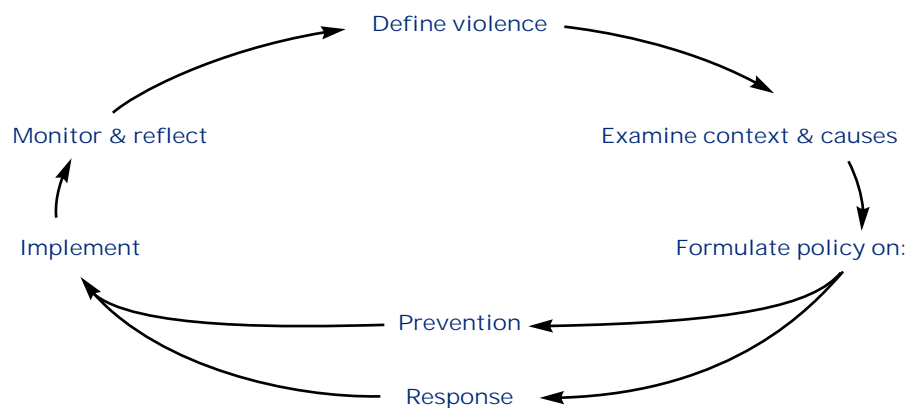
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Preventing youth violence

Jeff Martin and Steve Briault have recently completed work on an EU-funded project on the prevention of youth violence. Building on the outcomes of a pilot carried out in Germany, this project involved management consultants, training providers and companies from the UK, Germany and Austria. The work centred on a process model of violence prevention which forms the basis of a development cycle, which in turn can be used to plan and guide initiatives to address and reduce violence in any educational or work context:

Working through this development cycle, we built up a toolkit of exercises, key concepts, case study examples, principles, recommendations, practical guidelines, tools and instruments to stimulate and enhance thinking and practice on youth violence. This toolkit forms a valuable resource for work with young people – for trainers, teachers, social workers, HRD managers, business leaders, police, politicians etc – and is to be made available in the form of a handbook, due to be published in English as well as in German.



Consultants develop too

Deep in a Finnish forest, alongside a lake, a group of management consultants from around Europe lay a new path of wooden planks across swampy ground. They are participants in the fourth Consulting in Organisations Programme which started last year. They are gaining practical insights into the challenges organisations face in meeting clients' demands and deadlines, with limited resources, often in unfamiliar landscapes. The potential of creative teamwork and effective process management are experienced directly. Coming from different sector backgrounds and a wide range of experience, they form a learning community for 18 months.

Five one-week seminars cover a broad range of consultancy issues: change, vision, strategy, process improvement, lean thinking, innovation, communication, client

management and more. Ongoing project work with their own clients deepens the learning. Although based in the UK, the group also travels to Finland and Holland to gain wider perspectives.

Led by Rubicon Associate George Perry and Finnish colleague Lauri Salonen, the Programme is in its 7th year. Guest contributors are drawn from Rubicon's international network. Inspired by the developmental thinking of Bernard Lievegoed, the programme attempts to delineate a new European approach to management, a middle way between the best of US and Japanese approaches: where the free individual can serve the needs of the work community and vice versa.

For a brochure or further information please contact George.