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Management Consultants to the Precast Industry

RESULTS IMPROVEMENT BULLETIN

PRECAST BUSINESS RESULTS IMPROVEMENT BULLETIN

Precast Business Results Improvement Bulletins are published by MJS Management Services. Additional bulletins that summarize current management challenges and solutions for the precast industry can be found at www.mjsmanagement.net.

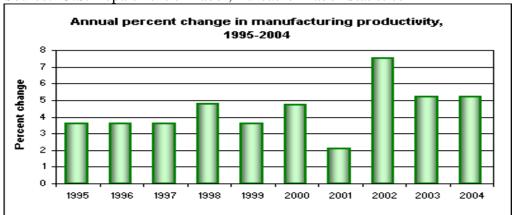
MJS Management Services is a consulting firm that works exclusively with clients in the precast industry to improve business performance and results. For assistance with this or other management challenges please call 206-388-5209 or contact us by email. Visit our web site for a full description of the services we provide.

Please email info@mjsmanagement.net to be added or dropped from the distribution list.

DON'T WAIT TO ACHIEVE PRODUCTIVITY GAINS

The chart below summarizes productivity gains in the manufacturing sector over the last 10 years. The average – about 4 % per year, every year – sets a tough benchmark for the precast industry to achieve.

Source: U.S. Department of Labor, Bureau of Labor Statistics



The broad manufacturing sector is predominately composed of business that deal with more repetitive processes than those found in the highly customized design/production environment of structural and architectural precast production. However, the chart highlights the need to achieve meaningful ongoing productivity improvements to remain competitive.

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Lean manufacturing is the method of choice to achieve productivity improvement

By far the leading method employed today to achieve productivity gains is lean manufacturing. Estimates suggest that as many as ½ the manufacturing enterprises in the US are "going lean". BusinessWeek magazine rated lean manufacturing as one of the top 8 business and finance innovations of the decade.

Applying lean concepts to precast operations

Like most business improvement methods, lean manufacturing needs to be adapted to suit the unique challenges of precast design and production.

MJS Management Services is the leading implementer of lean practices for precast producers, having completed close to 50 kaizen events over the last two years.

Of the many productivity improvement methods available, we find that lean manufacturing offers many advantages, primarily due to the "lean" focus on the customer, common sense, simplicity and action.

A few highlight observations:

- Improvement opportunities ranging from 10%-50% are possible.
- Much benefit is gained when "lean concepts" are applied to processes in addition to production. For example, we've worked with a number of engineering/drafting teams to become "lean" resulting in productivity gains as well as improved shop drawing quality and turnaround. The cost (waste) in most production operations related to shop drawing process issues (inaccurate materials lists, drawing errors, format inconsistencies, placement conflicts) ranges from hundreds of thousands to millions of dollars annually.
- Additionally, lean thinking in sales and project management can lead to less "waste" transfer from owners, engineers, architects and general contractor to the precaster.



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The time challenge – do it now

With the strong business environment, many plants are working to near capacity. Some precasters are concerned that adequate time may not be available for already busy staff to apply a new initiative such as lean manufacturing.

We've developed streamlined approaches to lean implementation that work well in very busy production, engineering and other operations. With a relatively small time investment, these groups are able to identify and implement many productivity and quality improvements.

Awkward and wasteful business processes cost significant time and money every day. Arguments for waiting to implement improvements sometime down the road should be challenged.

Lean implementation assistance

We are pleased with the feedback from our clients on the success of our lean projects. This is usually attributed to our industry focus and in-depth understanding of precast processes. This has allowed us to develop streamlined implementation methods that work well for the industry. In addition, our extensive "best practices" inventory provides lean implementation teams with quick access to many new ideas and methods.

Lean Management for Precast Workshop – this introductory workshop, conveniently delivered at your location, provides management and production personnel with an introduction to lean management concepts. Numerous precast specific "real world" examples are used to demonstrate how lean management produces improved productivity, quality and throughput.

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• Lean implementation services – lean implementation consists of a series of "kaizen events". During each kaizen event, we work with a team to convert a process or department to the lean approach with the resulting improvements in productivity, quality and throughput. We emphasize extensive "knowledge transfer" to your team so they are able to continue to work toward "lean" goals on their own.

Our streamlined implementation methods allow precasters to quickly gain the benefits of "lean thinking". During the lean events we also provide training for lean coordinators.

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For more information on achieving productivity gains please call (206) 388-5209 or email info@mjsmanagement.net. Additional lean management resources can be found at www.mjsmanagement.net.