



Lean Manufacturing

## Is Your Operation Ready for Next Generation Lean?

Brought To You by Lenox Industrial Metal Cutting Blog | Nov 30, 2017

### What You Need to Know

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Lean manufacturing is nothing new. Principles based on continuous improvement, streamlining production, and machine efficiency have long changed the way manufacturers operate. Industry leaders like *Jorgensen Forge* have been using lean manufacturing tools like 5S and Total Productive Maintenance (TPM) for years to lower costs, improve responsiveness, and increase efficiency.

However, as stated in the eBook, *Five Performance-Boosting Best Practices for Your Industrial Metal-Cutting Organization*, lean manufacturing is evolving. "Companies that 'got lean' years ago are focusing on continuous improvement, and a growing number of high-mix, low-volume operations are tweaking traditional methods to fit their specific situation," the eBook states.

A recent article series published by IndustryWeek takes this idea further, arguing that lean manufacturing should be evolving. "I am convinced that for Lean to remain relevant as a strategy for improving manufacturing effectiveness it needs to evolve to the point where expert practitioners are NOT needed for most typical Lean transformations," consultant Paul Ericksen states in the first article of the series. "Lean shouldn't be a mystery or black art that is only successfully conducted by an elite group of practitioners. For this to happen, additional Lean concepts, strategies, metrics, processes, and tools need to be developed."

Specifically, Ericksen argues that the lean evolution needs to go beyond simple "tweaks" and instead, should change its current emphasis on waste elimination to one of total business performance (i.e., revenue). He calls this Next Generation Lean.

You can read through the details of Ericksen's entire theory [here](#) by accessing the full seven-part series, but below is a summary of some of his major points:

- Lean's current focus on reducing Cost-of-Goods-Sold waste needs to be expanded to cover all waste associated with Order Fulfillment.
- Introducing an overriding strategy of lead-time reduction to Lean practice will change it from a methodology that produces isolated tactical impacts to one that delivers more comprehensive strategic transformation.
- An industry-wide, customer-focused metric for lead-time needs to be adopted to support strategic Lean practice.
- Market specific (customer-based lead-time expectations and competitor order fulfillment proficiency), build-to-demand capability is a company's Lean end game.
- A lead-time metric could then be used to quantify a company's current Lean status, as well as to define what it means for a specific company to be considered Lean. The difference between their current Lean status and their Lean end game goal quantifies a Lean-ness gap, finally giving Lean practitioners a concrete way to say where a company is in its Lean journey.

While Ericksen's theory may or may not make sense for your shop, one key point is worth noting: Your approach to lean manufacturing should be continuously improving and evolving right alongside your operation. If your operation has been using lean manufacturing tools for years, perhaps it's time to re-evaluate and reconsider how those tools could better serve your company.

## Key Takeaways

- For Lean to remain relevant as a strategy for improving manufacturing effectiveness it needs to evolve to the point where expert practitioners are NOT needed for most typical Lean transformations.
- Next Generation Lean should change its current emphasis on waste elimination to one of total business performance.
- Your approach to lean manufacturing should be continuously improving and evolving right alongside your operation.

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