


CONSORTIUM of “LEAN” Organizations

The **mission** of the Consortium is to assist member organizations in dramatically improving their top line and bottom line by learning and utilizing the LEAN theory, thinking, strategies and practices. By leveraging the synergy of the organization and the efficiencies of sharing resources, costs of achieving these dramatic results are cut in half.

The **goal** of the Consortium is to use its network of career Toyota executives and managers to provide exceptional training and deliver ongoing support to ensure that what is learned in training is implemented in your workplace to achieve your business objectives.

The **value** of the Consortium is that the understanding and utilization of LEAN thinking, theory and practices are enhanced and leveraged through the synergy derived from working collaboratively with other Consortium members and advisors to achieve our goals while reducing our costs.

What sets the Consortium of “LEAN” Organizations apart?

<u>Considerations</u>	 CONSULTING ASSOCIATES, LL Experience from the Inventors of Lean	<u>Benefits</u>	<u>Our Competitors</u>
<ul style="list-style-type: none"> • Full understanding of Lean 	15-42 year careers in Toyota - Learned from Lean’s inventors —the world’s best experts - Adapted to global supply chain - Lived in the “culture of Lean”	<ul style="list-style-type: none"> - Bigger results faster - Better <u>knowledge transfer</u> to your organization - You learn the <u>people side of Lean</u> as well as the methods 	Generally learned Lean from seminars and books (books written by outsiders who tried to understand what we did in Toyota)
<ul style="list-style-type: none"> • Experience Thinking Lean and Doing Lean--helping Toyota and our clients become the most successful in their industry 	We have “done it” ... - ...in Toyota, and our in suppliers, logistics partners, distributors and retail dealers - ...in our client companies Ability to adapt to your industry and business	<ul style="list-style-type: none"> - Eliminates your risk—we are always successful - Every one of us has “done it”—no young kids learning at your expense - <u>Builds Toyota-like competitive advantage</u> 	Experienced, impressive senior partner sells the engagement Most of the work is done by young MBAs—learning on your nickel “Cookie cutter” approach
<ul style="list-style-type: none"> • Understanding of Your Business Needs and Challenges 	All executives and managers with P + L and operational responsibilities who have led organizations to produce real business results	<ul style="list-style-type: none"> - We intertwine Lean with your strategy and business objectives, helping you and your team produce <u>lasting business results</u> 	Typical focus is on point vs. system improvements, on Lean tools vs. business and people systems, on technology vs. process, on theory vs. practical
<ul style="list-style-type: none"> • Efficient Business Model 	Lean Consulting Associates is a network of Toyota “alumni” —mostly retirees eager to “give back”	<ul style="list-style-type: none"> - We operate with virtually no overhead, so nearly all of the fees you pay goes to the consultants who work for you 	In traditional consulting companies, 1/3 of your fees goes to the consultant, 1/3 to cover overhead, and 1/3 to profits for the partners

Membership Benefits:

We have received excellent cooperation from some of the most successful Lean Consortiums in the country as we have been developing our plans. We have found that less successful Consortiums focus primarily on the Lean Tools and Kaizen events, and the training is provided by state agencies or academics who have not worked for Toyota. As you review the following, we hope that you appreciate the unique value of having career executives from the company that invented Lean to support you in achieving similar benefits for your company. We have a rich assortment of offerings that will help every area and every level of your business become “the Toyota of your industry.”

Menu of Possible Member Services:

1. **Quarterly Executive Briefings, Training, Host Site Lean Progress Review for CEO, President, Top-Level Executives*** – A breakfast or lunch event facilitated by Bob Bennett, retired Toyota Group Vice President and Officer, or other former Toyota executives. Meetings will be held at member facilities where the hosting organization provides an update regarding progress made and lessons learned when implementing lean strategies in their organization, leads a tour to explain improvements and problems for discussion, and shares non-proprietary data regarding the outcomes of their lean efforts. Consortium members will also have the opportunity to share their progress and get questions answered. A Lean Leadership training component will be included in each session.
2. **Lean Facilitator Training*** – An intensive 5-day course to give your company’s Lean leaders/ facilitators a solid grounding in our proven approach for transforming your business. They will also learn how to work with top management to set the direction and with line management to achieve your aggressive business targets.
3. **Periodic Electronic Publications** – A member newsletter sent electronically to whomever you specify every 30 to 60 days. The newsletter will include articles and case studies submitted by Consortium members, educational articles, Consortium calendar of events and training, and information regarding Lean developments locally, nationally and internationally.
4. **Annual Consortium Lean Kaizen Competition and Conference*** – Member companies will recommend improvement projects for recognition and presentation at our annual Lean Kaizen Conference. A panel of experts and members will judge the submissions and team members will present. This recognition and awards is an effective motivator for your organization. Feedback from experts and training sessions will add to the educational value of this annual event. We will conclude with challenges for the next year based on your inputs.
5. **Annual Lean Assessment by one of our Executive Consultants** – We will help you and your management team assess both your operations and your culture to identify how you can maximize your returns from your Lean initiative.

*Member company-hosted activity

Possible Additional Training Opportunities for Member Organizations' Employees

– Our target is to offer this superior training to you at one-half the cost charged by others Lean training organizations such as Productivity, Inc. and the Lean Enterprise Institute.

“Train-the-Trainer” training and certification – with the goal of making you self-sufficient, we will have programs to develop the employees you designate into fully-qualified Lean trainers.

On-site Kaizen Events – Exploiting the synergies to the Consortium, we will facilitate kaizen events at member companies to include Lean Leaders and Facilitators from other member companies to augment your resources. This creates additional learning opportunities for all members

Lean Consulting Support – Career Toyota veterans – who learned to implement Lean from the people who invented Lean – will work side-by-side with your people to greatly accelerate your realization of your business objectives. At the same time, our knowledge and experience will be transferred to your people so that you can sustain and continuously improve on your own. Consulting fees will be reduced 15% for member companies.

Sample Menu of Training Programs:

Lean Leader/Lean Facilitator 5-Day Training Program

- *Hoshin Kanri* and Lean—Linking company policy and objectives, manager’s annual plans and A3s to engage the line organization in using Lean to achieve their business objectives
- The Importance of Stability First—People, Equipment, Quality, *Heijunka*
- Lean Basics & Practical Problem Solving Workshop, including Lean Simulation and on-the-job problem solving*

Lean Leadership for Top Management: CEOs, Presidents, and Senior Executives

- Introduction to Lean Leadership:
 - Leadership’s Role in Your Lean Transformation
 - *Hoshin Kanri* and Annual Plan Management—the heart of high performance learning organizations
 - Roadmap to a Lean transformation—The vision, Rules in Use, roadmap to the vision
- “Gemba Walk” Workshops—the best method to achieve consistent and energetic coaching of “your new way” by your management team*
- Quarterly Executive Briefings, Training, Host Site Lean Progress Review for CEO, President, Top-Level Executives
- Problem solving for managers

Introduction to Lean

- Introduction to Lean and Lean Simulation Training and Lean Rules in Use—appropriate for every level of the organization in every functional area

*Member company-hosted activity

Lean Tools and Methods

- 5S—for business reasons, not just to look clean and neat
- Standardized Work and Motion Kaizen; Job Instruction—for quality and efficiency
- Value Stream Mapping (material & information flow diagrams)*—to make problems in the flow of value to customers clear
- Pull and Kanban Systems—general background information for Lean leaders/facilitators
- Visual Management—to make problems (ahead/behind and normal/abnormal) and the system for solving problems with permanent countermeasures visible*
- TPM (Total Productive Maintenance) Workshop*
- SMED (“Single Minute Exchange of Dies”; quick setup or changeover)*

Lean Supply Chain and Lean for the Service Industry

- Lean Warehousing & Simulation Training
- JIT Logistics & Simulation Training
- Supplier Connection Management Overview
- Supplier Development Workshop*
- Lean Customer Connection Management*
- Lean for Sales & Marketing Managers (Beer Game simulation)—learn how to reduce demand fluctuation by up to 40%
- Lean Inventory Control and Deployment Strategies

Lean for Knowledge Work

- Lean Thinking and Problem Solving for Knowledge Work and the Office—Toyota’s “Rules in Use” apply to absolutely every part of any business, including non-manufacturing businesses. If you are a manufacturer, Deming said, “80% of problems are caused outside of the “manufacturing ghetto.”
- A3 Problem Solving Workshop*—this unique Toyota one-page communication tool will transform the way your people think and work.
- Knowledge Work Kaizen Event Workshop*—Learning by doing—together.
- Lean Product Development & Launch Workshop*—98% of problems solved before start of mass production
- Intelligent Use of Technology in Lean Process Design & Reengineering—process and people first, then the technology to support them—lower costs and better results.

The Human System for Lean Management (Lean Culture and Developing a “Capable People Value Stream”)—you owe it to yourself to understand the tremendous impact this can have on your business. However, if you aren’t committed, stick to the Lean Tools and get half of the benefits with less effort.

- For Team Leaders
- For Supervisors
- For Managers and HR Professionals
- For Executives

Continuous Improvement

- Practical Problem Solving--Improving Your Own Job & Work Area
- Lean Basics & Practical Problem Solving Workshop for Supervisors & and Front-Line Managers, including Lean Simulation and on-the-job problem solving*
- A3 Problem Solving Workshop*
- Kaizen Event Workshop*

*Member company-hosted workshops

Read what CEOs, Presidents, and Corporate Leaders have to say about our Consulting and Training Services

Largest private education provider in the Middle East—Lean applied to knowledge work

It has been a singular pleasure to work with you in the context of Lean Thinking. You have a compelling and disarming style of presentation that engenders the most constructive engagement with participants. It is clear that you practice what you teach. These qualities, combined with your industry experience and keen analytical skills, ensure a meaningful experience for your clients. The CERT managers have given me unanimously positive feedback.

---Dr. Bob Richards, President CERT, United Arab Emirates (The CERT Group of Companies began as the commercial arm of the Higher Colleges of Technology in the United Arab Emirates, and has grown to be the largest private education provider in the Middle East.)

Diversified Multi-Plant Manufacturing Company

The BAE Systems Products Group is made up of a variety of small business operations with little to zero exposure to Lean manufacturing prior to engaging Lean Consulting Associates. Our Lean journey has just completed our first year with significant improvements thanks to the support and guidance of Lean Consulting Associates. Here are a few examples:

Business Unit #1

- \$1,225,000 in inventory reduction
- Lead Time reduction from 13 days to 2 days
- Capacity increase of 150% with same number of people and 20% of space

Business Unit #2

- Labor cost per unit reduced by 51%
- Annualized labor savings of \$390,000

Business unit #3 (1 out of 5 lines 80% complete)

- \$ 455,000 in inventory reduction
- Manufacturing lead time down from 1 week to 3 hours

What distinguishes LCA is the focus on helping you achieve your business goals by working at the “Gemba” and learning by the hands-on use of the lean tools. Every minute they spend at you facility adds value that will continue to grow after they leave. It is obvious that their goal is to make you self-sufficient, not to make you dependent on them to achieve improvements.

All of the LCA Associates we worked with had many years of living “The Toyota Way”. They all understand that just applying the Lean tools will not achieve sustainable results. They have the experience and skills to work with any leadership team to create and sustain a Lean culture.

---Jim Hall, Director, Continuous Improvement, BAE Systems Products Group

Financial & Information Technology- Service Industry

“Bob [Bennett] is one of the few that has personal knowledge of “Lean” coming from the company that revolutionized its industry with it - Toyota. Additionally, he has personal experience in the application of the concepts of lean in a services environment. If you are looking for someone who truly knows how it’s done end-to-end all the way to the front line worker, then Bob is someone that can deliver that knowledge.”

---Floyd Parks, Partner, PriceWaterhouseCoopers (retired)

Global NYSE Manufacturing Company—Commercial Electric Motors, Generators, Gear Drives

“We completed our first transformational Lean project in our Juarez facility. This project succeeded in increasing the production capacity of a significant portion of the plant by 42% and reducing our investment in inventory by 34%.”

---Regal-Beloit Corporation 2006 Annual Report

Manufacturing Company—Plastic Injection Molding

“Our company was recently purchased by Kinderhook Industries, a private equity firm in New York. Kinderhook has been keeping me busy in looking at new business opportunities. They are using our company as a platform to seek add-on acquisitions and I believe the excellent manufacturing system which you helped us install has been instrumental placing us in this position.

The implementation of JIT concepts allowed our company to ramp up a major product line launch that tripled the size our business in two years. This was accomplished during the same time that we reduced our floor space by 20% and sold a warehouse to raise cash to fund our business growth.

I believe our JIT implementation has allows us to be much more cost effective, achieve a shorter lead time, and bring new products to the market faster than our competitors. The effect of this is that we are able to supply our customers from a domestic factory when many of our competitors have gone off-shore chasing lower labor costs. They may have achieved lower labor costs, but at the expense of higher inventory cost, transportation costs and lower flexibility.

The change in our manufacturing system affected the way our people work, in a positive way. By focusing on reducing waste we aim to increase efficiency not by making people work harder, but by making the work easier. An added benefit is that we find that it is easier to attract and retain employees to a lean manufacturing environment.

Bob [Bennett], you were the key to making this happen for us and I am in your debt. We have used other productivity consultants before, but your approach was different in a number of ways. First, after making an inspection of the factory you were able to clearly articulate a vision of how lean manufacturing principals would help us. Second, you provided relevant visual aids to communicate the vision to management and workers. Third you followed through with us all the way to the shop floor to make sure that we implemented a process to achieve the vision.”

---Pat Perrin, CEO and President, Perrin Manufacturing

Forging Company- France

I wish to express my gratitude and appreciation for the coaching my organization and I received from Bob Bennett and the Lean Consulting Associates team while I was CEO of Ateliers Thome-Genot in France.

The support Bob and the team provided helped us succeed in turning a 150 year old forging company into a Lean based modern and effective organization. In less than a year, we improved on-time delivery by 208%, reduced defects by 49% and increased output of our production assets by 23%. This resulted in an increase in sales of over 10% and brought with it additional business including first ever long-term contracts with major customers. The Toyota and Toyota supplier experience on Bob's team was key in helping us win the new business from demanding Japanese suppliers to Toyota and other OEMs.

I do believe, however, that the success we experienced is most attributable to the passion and talent Bob and the team brought to our organization, their ability to work side-by-side with our people as well as their approach because it was done with the utmost integrity and respect for all of our people.

It was certainly a joy working with Bob and his team. I have maintained my relationship with Bob and I continue to use him on occasions as a sounding board for many of my business strategies.

---Joe Kazadi, former CEO, Ateliers Thome-Genot and current CEO, Central European Aluminum

Company

Comment from Colleague:

As a former Toyota Motor Sales executive, Mr. Bennett has an extensive understanding of the working mechanisms of Lean logistics and distribution. He also has a great insight on how to develop and sustain a Lean culture in developing and in large organizations. On several occasions I have had the chance to gain additional understanding through his counseling.

---Olivier Larue, president Y-Datum and Toyota Supplier Support Center certified consultant

If you have questions regarding the “Consortium of LEAN Organizations” or for Membership Information contact:

Dr. Ron Bennett
Executive Director
Lean Consulting Associates
(949) 459-7129 (Office)
(949) 291-7932 (Mobile)
rgbennett@cox.net (Email)