

Visit to Melbourne by Central Coast Industry Connect

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In March Frank Sammut, EO of Central Coast Industry Connect (CCIC) and myself (Fortunity Training) were given the opportunity to join a group of business leaders from New Zealand to visit manufacturers based in Melbourne.

The group was led by Trish Wilson from CICE New Zealand. CICE (Continuous Improvement, Continuous Everywhere) is an organisation whose focus is to network manufacturing businesses based in New Zealand. Their purpose is to help them understand and implement continuous improvement strategies with the goal to improve their business performance.

Trish visited Australia last August and facilitated a cluster session with Central Coast based manufacturers. Since that visit, a Lean (or Continuous Improvement group) has met and established a Central Coast based cluster.

Two events have been held since it was established. These events were held at Archer Engineering Somersby and Sanitarium at Berkeley Vale.

The focus of the Melbourne study tour was to visit Denso, Toyota and Vista Print.

Following each visit the group held debriefing sessions where ideas and learning from the visit was discussed (and debated!).

The first visit was to Denso, Denso produces a wide variety of products supplied primarily to the automotive industry. With the closure of Toyota and General Motors this plant will close in October.

According to the operations manager there was no future for the plant, including export, as its production was tied directly to local supply.

With the closure of local car manufacturing their market disappeared.

Despite this however, the team at Denso were remarkable in their passion to produce outstanding quality products and continually looking for ways to improve. Highlights of the tour included very high standards for housekeeping, visual management and structured focus to encourage every member of the team to produce and implement improvement suggestions.

Management were clearly engaged with the shop floor. They see their role is to “serve” the shop floor.

The following day the group visited Toyota’s production facility at Altona. This visit was hosted by TSSC a newly created consultancy arm created by Toyota to assist organisations including health care and small manufacturers.

Visiting a Toyota plant is like visiting the “Holy Shrine” of Continuous Improvement. Despite the plant closing in October the Toyota team is still working to improve. Their stated goal is that the “last car produced by the plant will be the best car ever produced”. All CI programs are continuing as usual although capital investment obviously is on hold.

Toyota are investing heavily in retraining its manufacturing team who will be made redundant. A onsite training centre has been established, with Toyota supporting employees to reskill for their future.

Highlights from the tour for me were the precision of the logistic shop floor planning. Currently Takt time is 138 seconds. This means a Camry rolls off the production line every 138 seconds. This has slowed from 122 seconds with the scaling back. Of these cars produced 70% were for the export market.

Each car on the assembly line was unique in its options including colour, interior, wheels and motor. It is remarkable to see the flow of parts meet its car exactly when required.

The other key highlights were the implementation of Toyota's planning process from the corporate to the shop floor. In each department, a "Hoshin" board displayed the corporate goals, the site goals and the department goals. These goals were measured and reviewed daily to ensure that the job got done.

In addition to these boards other Visual Boards included change management and continuous improvement activities.

The other key highlight was Toyota's investment in shop floor training to ensure that all staff are rigorously trained to reduce variation and maintain flow. Each department had a "Dojo", which was training area which replicated the environment of working on the shop floor.

The overwhelming feeling I believe from the group was absolute commitment from management to ensure that the closure was managed without reducing quality whilst maintaining respect for their staff.

The final visit was to Vistaprint.

Vistaprint may be known to many for its printing of business cards; however their business is much more diverse than that. Vistaprint's claim to fame is that it is the first manufacturing company in Australia to win the Shingo award.

This program is internationally recognised as only awarded to manufacturers who meet the highest standard for quality and continuous improvement. It is judged by a panel of independent auditors.

The highlights from Vistaprint were many, but outstanding items included shop floor organisation with every item on the floor having a home, clear visual management controls which clearly displayed the status of production throughout the plant.

The integration of online ordering directly from the customer to the shop floor means that most items are shipped within 24 hours of order. Their goal is to have orders that are received before midday will be shipped on the same day.

After each day's visit the tour group mixed and discussions held as to how the learning could be applied to each of the businesses. Ideas were shared across the tables from wine makers, health care equipment manufacturers, laboratories, custom commercial window manufacturers, fitting manufacturers and internal lock manufacturers.

The group challenged each other, shared concerns and generally generated a "buzz" as to how to go back and apply what was learned to the business.

The challenge for Frank and myself was learn how we could continue to build on this model for our Central Coast Cluster. Our agreed learning was as follows,

- sharing experiences across unrelated industries generates more idea and solutions to problems.
- networking with other business brings new market opportunities
- Implementation problems of Continuous Improvement are common across industries however the solutions are out there to be shared.
- Regular visits for the cluster to manufacturing sites to share our experience is essential



The two Frank's outside Vistaprint



The Touring Group in the Toyota reception area ready for their tour.