

#### Session start at 2pm

See you





Operational Excellence Management System



Operational Excellence



### SHARING SESSION BASED ON MY 3<sup>rd</sup> BOOK



### Operational **Excellence (OE)**

#### Management System

Requirements, guidances and assessment criteria

#### Edly Ramly, PhD



#### "Operational Excellence (OE)" -Management System

#### Requirements, guidance and assessment criteria

Operational excellence is a mindset that embraces sustainable continual improvement within an organization. Operational excellence not just about reducing costs or increasing productivity in the workplace. It's about creating the company culture that will allow you to produce valuable and excellence products and services for your customers and achieve long-term sustainable growth.

Operational excellence is a journey that involves applying the right tools to the right processes. There are three elements of operational excellence presented in this book. The first elements is the "minimum requirements" or the structure of the OE. The second element is the "guidance for use" and third element is "OE assessment criteria".





Dr. Edly Ramly is a fellow for Industrial Engineering Operation Management Society (US). He is an active consultant specializing in operational management and lean-six sigma. His experience is in the field of automotive, where this field concerns the effectiveness and efficiency of operations through waste elimination.



EFR Certification Sdn Bhd (1098616-A) enculries@efrcertification.com

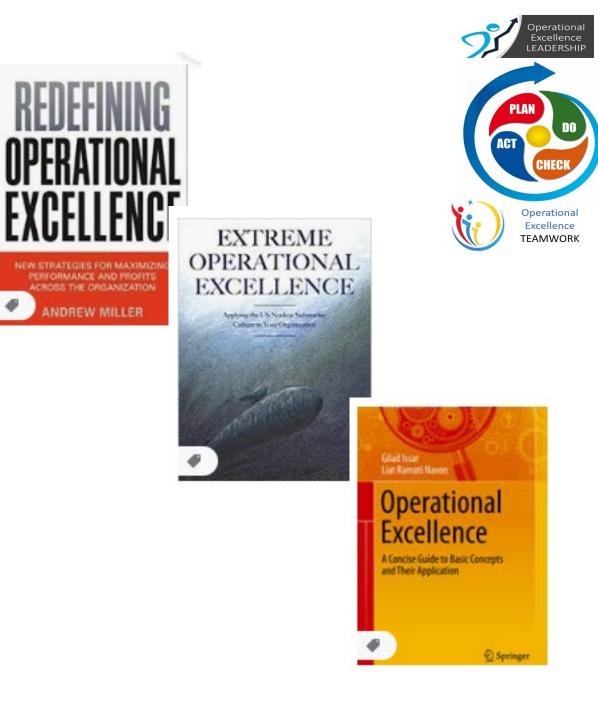
ISBN 978-967-17036-1-8



# What and Why Operational Excellence?

# Defining Operational Excellence

"relentless pursuit of doing things better" with regard to operation



## Other common SYNONIM for OE

Kaizen

- a Japanese business philosophy of continuous improvement of working practices, personal efficiency, etc.
- Common Kaizen include:
  - Kaizen Teian
  - Kaizen Events
  - Kaikaku
  - Kakushin

#### Continual Improvement

 recurring activity to increase the ability to fulfil requirements Operational Excellence TFAMWORK

• the requirements can be related to any aspect such as effectiveness, efficiency or traceability."

### Operational Excellence is about IMPROVEMENT

### Why Operational Excellence?

- Essential for Business
  Performance and Resilient
  - Increase profitability
  - Increase organization value
  - Easy to adopt in new environment
  - Create conducive working environment







# How many improvement you make a year?

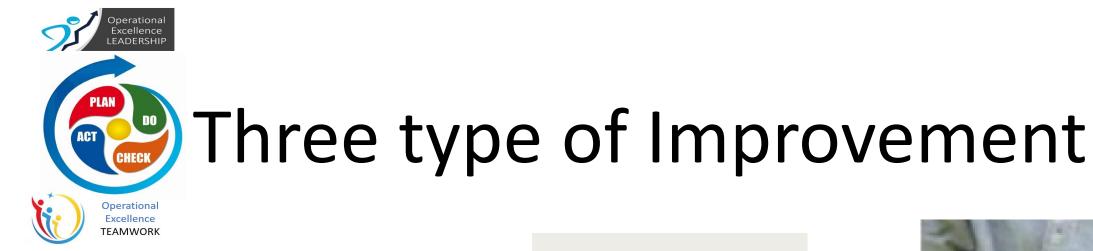
Do you have the list?

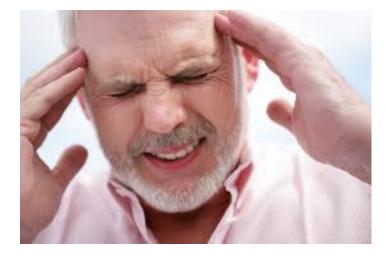
Can you divide the type of improvement?

Do you have the procedure to handle each type of improvement? What is the lesson learn?

How do you share the lesson learn?

• If you have all above – You have FORMAL OE initiatives









#### **A: In Formal**

**B:** Seasonal

**C: Formal** 

OE is to develop "IMPROVEMENT CULTURE



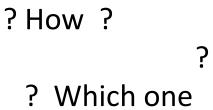
Too Many Improvement Approaches

U see U act Six Sigma 5S ISO 8- D 5 Why

Idea Bank

Kaikaku

# Why Formal OE



ICC
 Team Excellence
 Lean Summit
 Formal Analysis Method
 Formal Lesson Learn
 Formal Evaluation
 +

- Avoid Confusion

**Clear Direction** 

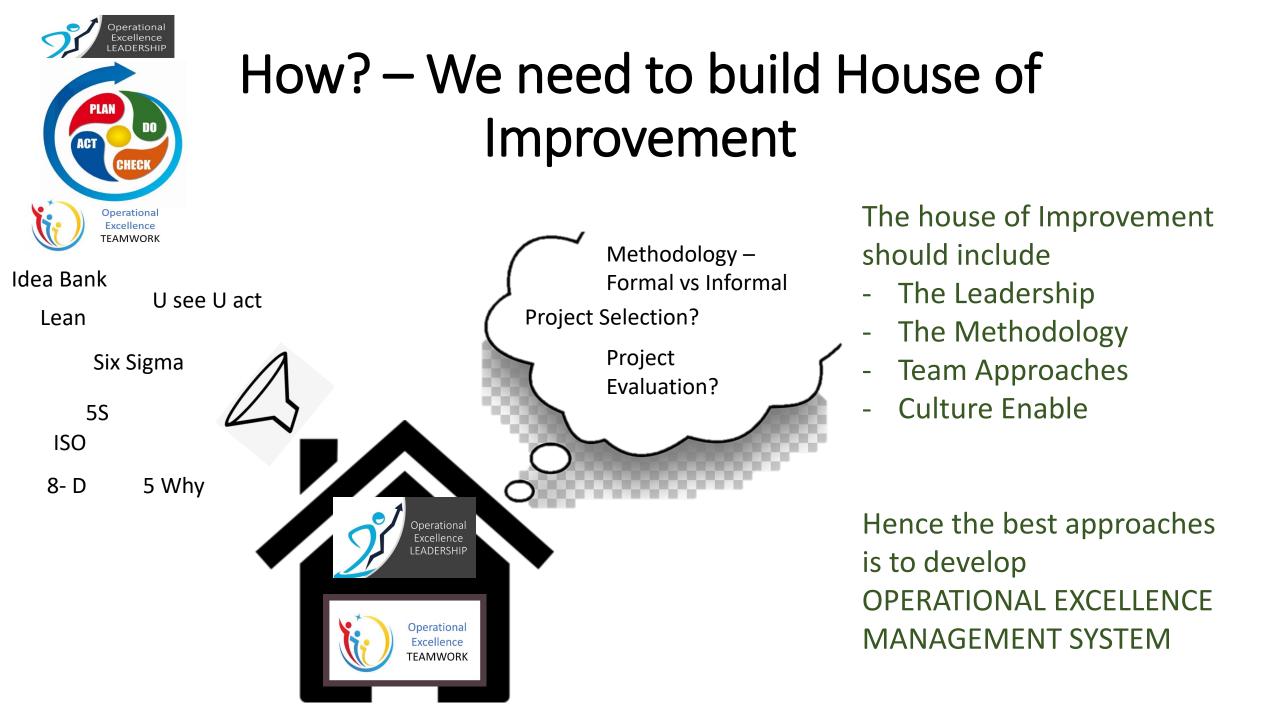
**Formal Reporting** 

**Formal Channel** 

Clear Scope

+

Avoid Overlapping
 Approaches/ Initiatives





# OPERATIONAL EXCELLENCE MANAGEMENT SYSTEM

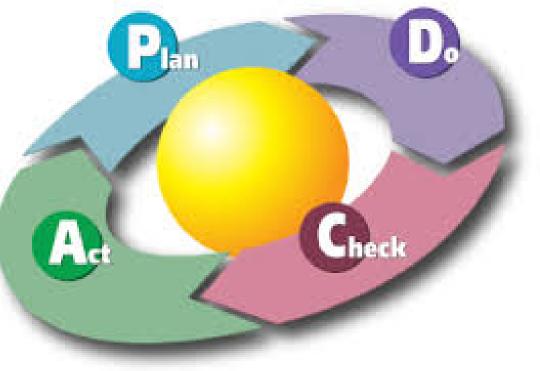




# Operational Excellence Management System Is.....

• "System to establish policy and objectives, to achieve those objectives and to direct and control an organization with regard to Operational Excellence."

- The base for management system is
- P lan
- D o
- C heck
- A ction
- With regard to Operational Excellence





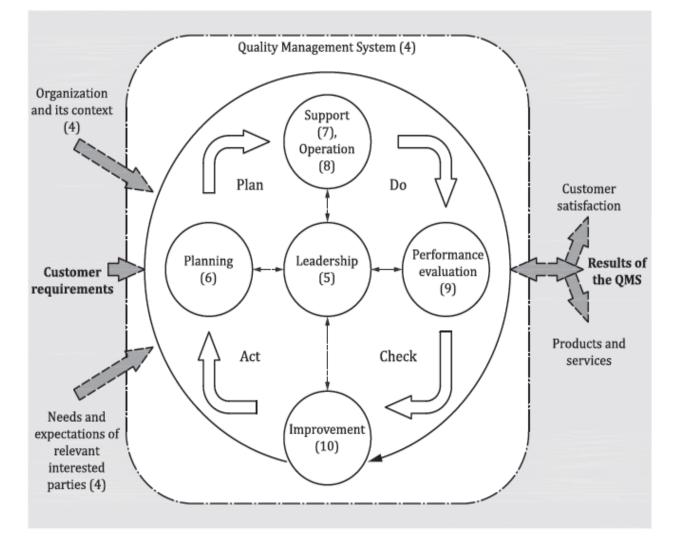
## Benefit of OEMS

- Initiate the continual improvement culture and performance, which leads to long-term sustainable growth;
  - facilitating an Operational Excellence implementation in early stage;
  - assist to adopt standard management system model of operational improvement;
  - the ability to demonstrate conformity to interested party in Operational Excellence implementation through certification process.

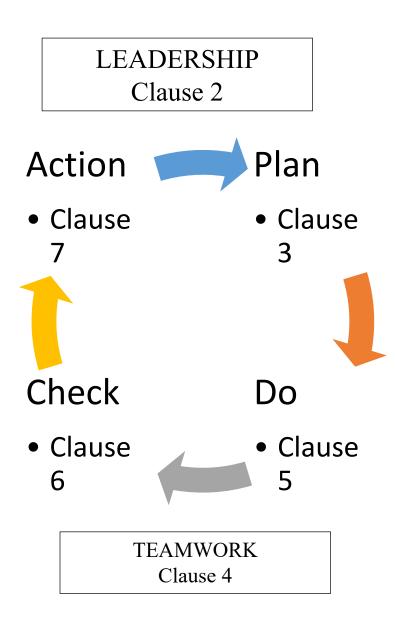


## ADOPTED ISO 9001 2015 MODEL

The PDCA cycle can be applied to all processes and to the quality management system as a whole. Figure 2 illustrates how Clauses 4 to 10 can be grouped in relation to the PDCA cycle.









## The Leadership, Teamwork & PDCA clause

- Clause 2 LEADERSHIP summarizes the requirements specific to top management's role in the OEMS, and how leadership articulates its expectations to the organization via a policy statement, establishing strategic OE objectives and guiding principles for the BCMS as a whole.
- Clause 3 PLANNING (P) describes the requirements for Clause 4 introduces the requirements necessary to establish the context of the OEMS applicable to the organization, as well as needs, requirements and scope, infrastructure while documenting, controlling, maintaining and retaining required documented information.
- Clause 4 TEAMWORK supports OEMS operations related to establishing competence and communication on a recurring/as-needed basis with of operational excellence
- Clause 5 IMPLEMENTATION defines operational excellence needs, determines how to address them and develops procedures to manage the organization improvement activities.
- Clause 6 PERFORMANCE EVALUATION summarizes the requirements necessary to measure operational excellence performance, OEMS conformity with requirement, and to conduct management review.
- Clause 7 IMPROVEMENT identifies and acts on OEMS nonconformity and continual improvement



# Preview Content of OEMS - Implementation

Clause 5 Operational excellence implementation process

- 5.1 Operational excellence program
- 5.2 Determine and select operational excellence projects
- 5.3 Operational excellence projects approaches
- 5.4 **Reporting** operational excellence project
- 5.5 Assessing operational excellence project
- 5.6 Changes initiate from operational excellence project

#### **Project Approaches**

- The intent of the requirement is for the organization to maintain a documented information for operational excellence project approaches (or mostly name as problem solving techniques) is due to several methodology to implement improvement project such as kaizen event, six sigma DMAIC, 8-disciplines methodology or lean methodology.
- Hence the organization shall define the suitable approaches for different type of issues to solve.
- Minimum criteria is set such as the approaches shall utilised team approaches, cause analysis, implementation and risk analysis of improvement actions, and verification of the effectiveness of improvement actions.

Take simple – Example YOUR ORGANIZATION HAVE SAVE THE ELECTRICITY BILL

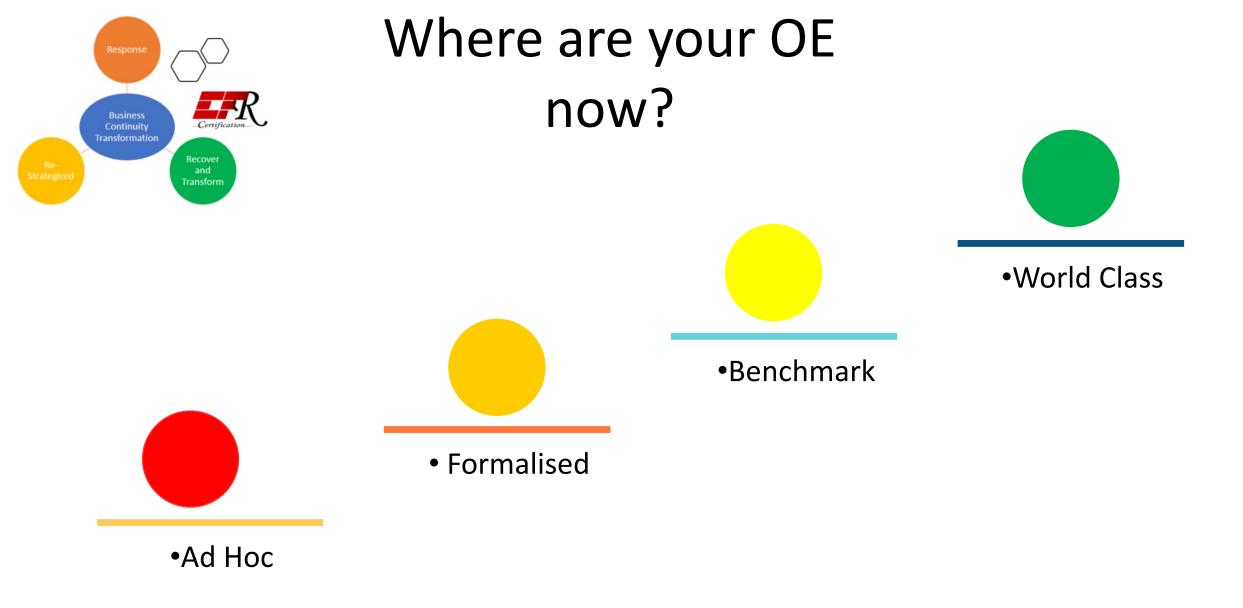


## Formalised and Benchmark you Improvement Initiative

As we get used to living differently, Choosing differently and behaving differently that Change can possibly be "THE NEW NORM"

THE NEW NORM IS THE "CULTURE"







Recommend further information/ study on OEMS

#### **Contact MPC on training:**

- 1 day Understanding Operational Excellence (Kaizen) Management System
- 1 day Development of Operational Excellence (Kaizen) Program
- 1 day Determining and Selection of Operational Excellence (Kaizen Event/ Kaikaku/ Kakushin) Projects
- 2 day Development of Operational Excellence (Kaizen) Project Approaches including reporting and assessment of operational excellence project

1 day = 4 hours virtual training (Program plan in June 2020) Potential Future MPC Service Advisory – Pre-Assessment - Certification

PERSONALISED ADVISORY

#### MPC ASSESS AND CERTIFY YOUR OEMS

#### Like 5S certification

Self-Assessment of OE Operational Excellence Award

Contact me to join the Pilot project for more detail

edly@efrmanagement.com

016-7748331

### THANK YOU FOR JOINING MPC WEBINAR

