



Sharing Session
with Dr Edly
start at 10am

See you



Operational
Excellence
TEAMWORK

Operational Excellence (Kaizen) Management System

Webinar 1 - Development of Operational Excellence
(Kaizen) Program/

**Pembangunan Program
Kecemerlangan Operasi**

19 June 2020 (10am-12am)

Moderator: En Hood Atan

Principal Exergy

Management Consultant

IATF Auditor



SHARING SESSION BASED ON MY 3rd BOOK chapter 2 & 3



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 (1098616-4)
enquiries@efrcertification.com

ISBN 978-967-17036-1-8

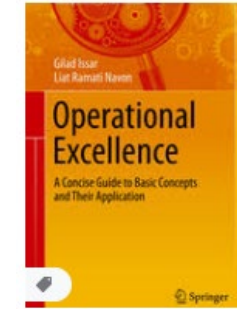
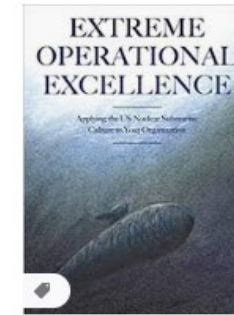
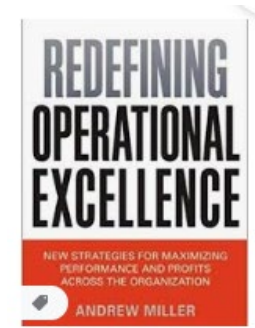




What is Operational Excellence Program?

Defining Operational Excellence

“relentless pursuit of
doing things better”
with regard to operation



Other common SYNONIM for OE

Kai zen (*Change – Good*)

Continual Improvement

**Operational Excellence is about
IMPROVEMENT** (*make or become better*)

CULTURE



How many improvement you make last year?

Do you have the list of improvement for 2019?

Can you divide the type of improvement i.e. small or big , team or individual, breakthrough, innovative 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 IMPROVEMENT CULTURE** in your organization



House of Improvement (OEMS)

The house of Improvement
(CULTURE ENABLES) should
included

- OE Leadership
- OE Planning
- OE Team
- OE Implementation
(PROGRAM)
- OE Performance
Evaluation and
Improvement

Idea Bank

Lean

U see U act

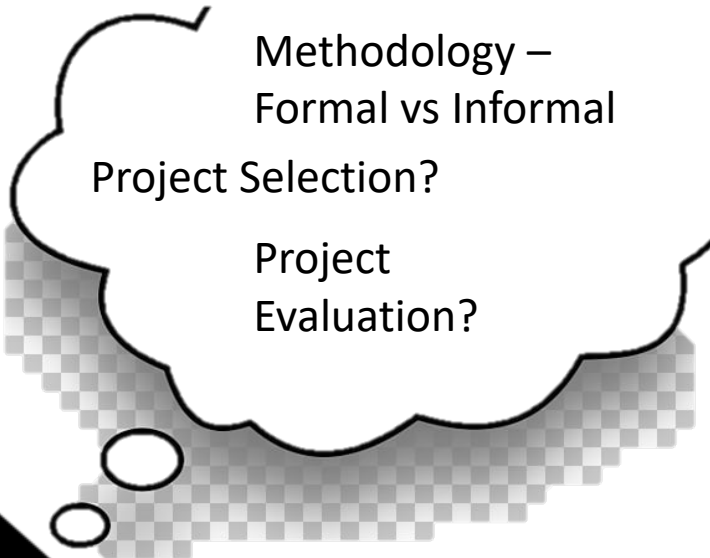
Six Sigma

5S

ISO

8- D

5 Why



What is Program?

noun: **program**

- a set of related measures or activities with a particular long-term aim.

- **Keyword**

- Set
- Activities
- Long Term
- Aim

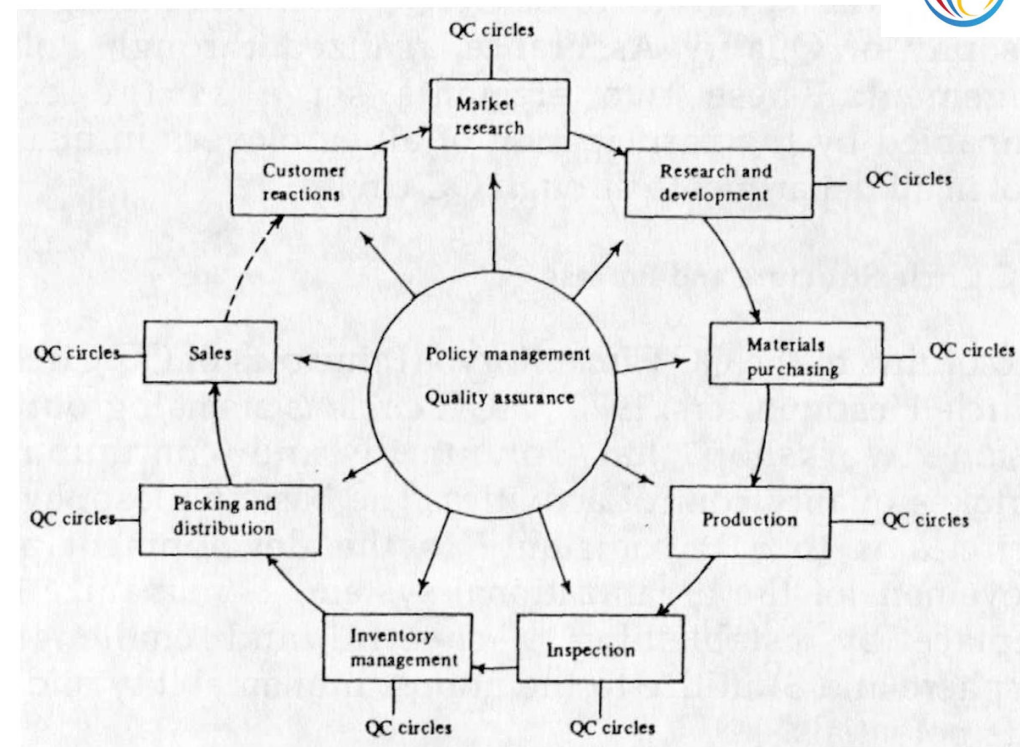
Output

- Plan
- Schedule



Why Operational Excellence Program?

- Unless we schedule it, it will not get it done.
 - Continual
 - Consistent
- **IMPROVEMENT CULTURE ENABLES**
- **Too many approaches**





Why Formal OE Program

? How ?

?

? Which one

Too Many
Improvement
Approaches

Lean
U see U act
Six Sigma
5S
ISO
8- D
5 Why
Idea Bank
Kaikaku



Clear Direction

Clear Scope

+

Formal Reporting

Formal Channel

- ICC

- Team Excellence

- Lean Summit

Formal Analysis Method


Formal Lesson Learn

Formal Evaluation

+

- Avoid Confusion

- Avoid Overlapping
Approaches/ Initiatives



Element of
Operational
Excellence
Program?



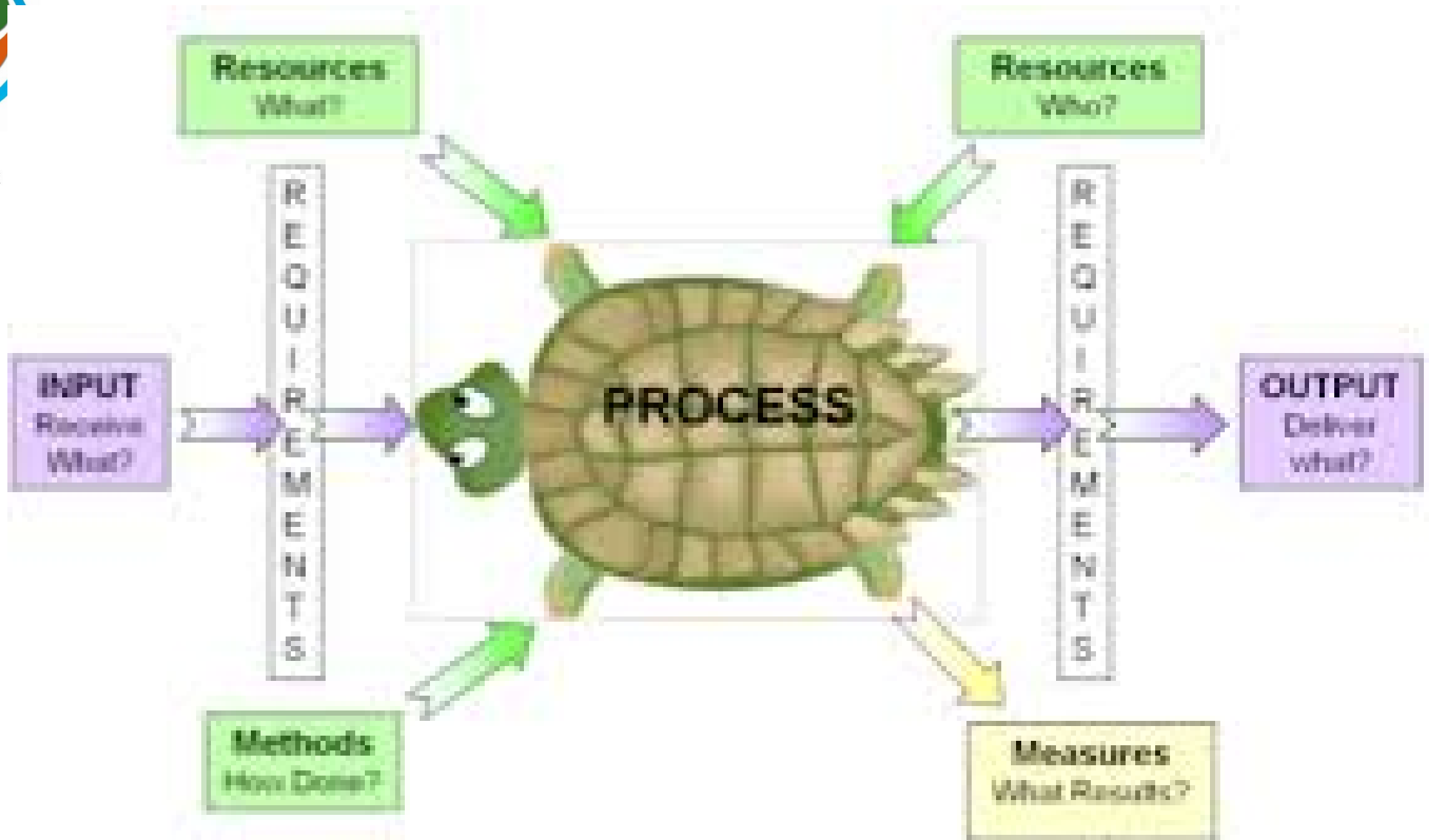
OPERATIONAL EXCELLENCE PROGRAM

OUTPUT

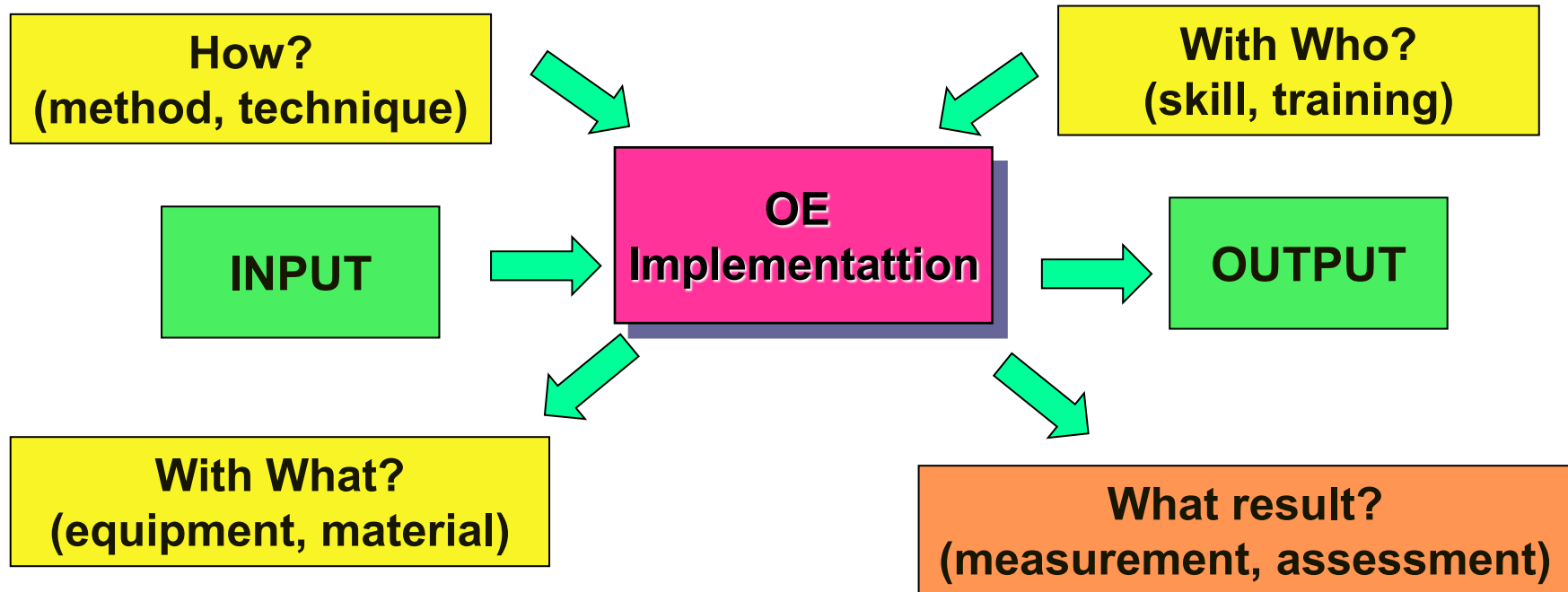
PROCESS

ELEMENTS

The turtle diagram



OE Program Output/ Result



The output

Report of improvement project

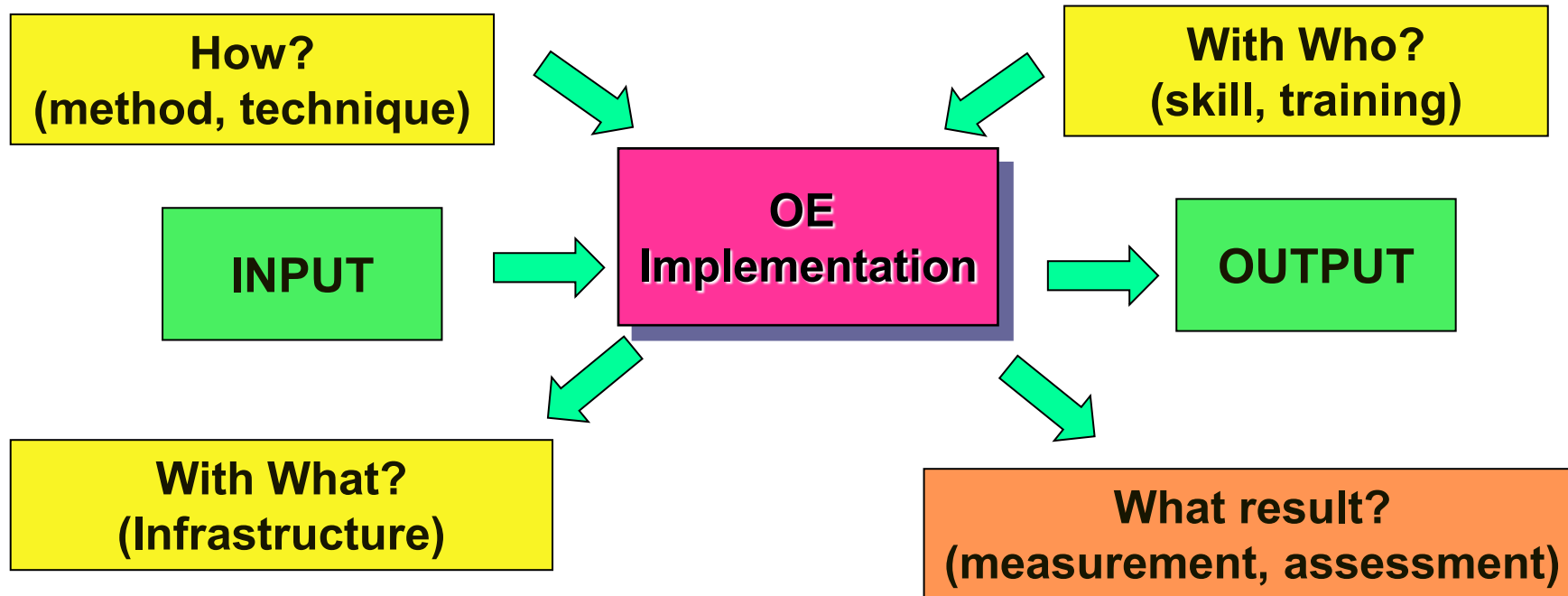
The result

Numbers of improvement project

Saving

Quality Improvement

OE Program Elements



Methodology

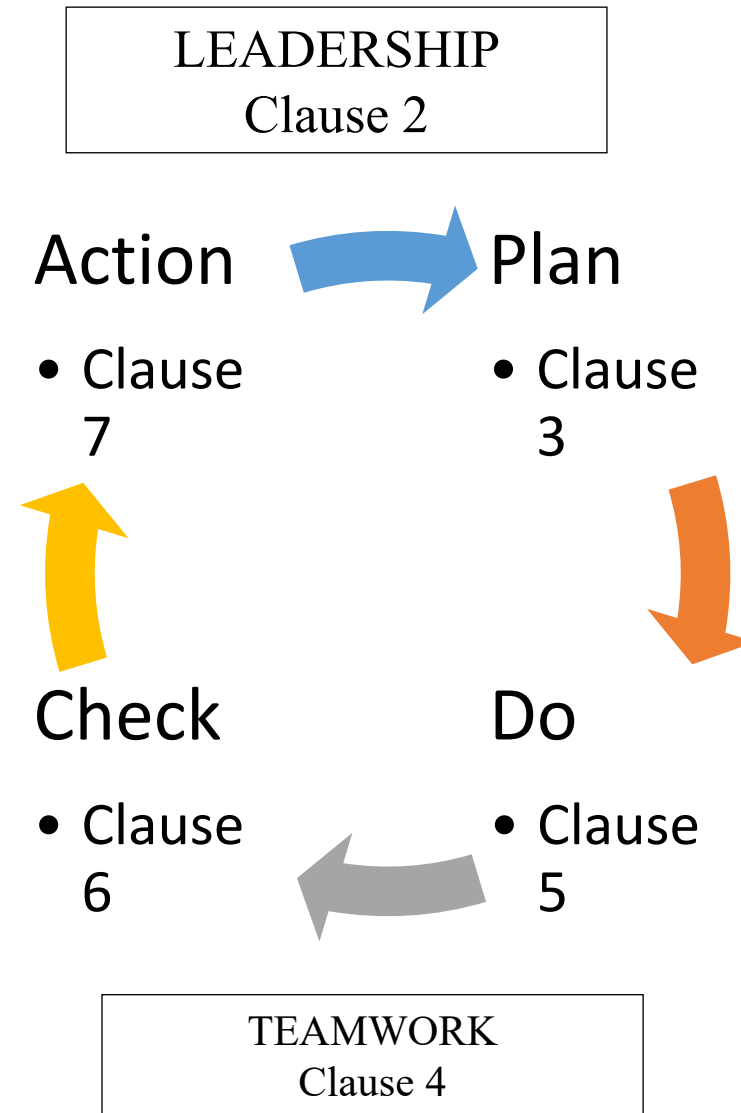
i.e. Kaizen Teian, Kaizen Event (Blitz), Kaikaku (Six Sigma), Kakushin (New Innovation) – Discuss in next section

Who

Team involvement (Culture)



Operational Excellence Management System – Requirements





OE Program elements - related 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 (Webinar 2)

5.3 Operational excellence projects approaches (Webinar 3)

5.4 Reporting operational excellence project

5.5 Assessing operational excellence project

5.6 Changes initiate from operational excellence project

5.1 Operational excellence program

The organization shall plan, implement, and control the operational excellence program. The program shall include the schedule to:

- i) initiate the operational excellence project,
- ii) operational excellence project review and meeting,
- iii) operational excellence project submission and assessment.

To support the operational excellence program, the organization shall determine the criteria to set the:

- a) operational excellence project objectives;
- b) establishing criteria for;
 - 1) the operational excellence processes;
 - 2) the acceptance of operational excellence projects;
- c) determining the resources needed to achieve operational excellence objectives and requirements;
- d) implementing control of the operational excellence processes in accordance with the criteria;
- e) determining, maintaining and retaining documented information to the extent necessary to have confidence that the operational excellence processes have been carried out as planned.



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**”

Risk

Team

Cash Flow



Common Operational Excellence Program?

Type of Kaizen Program

Kaizen

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

kai	zen
改	善
change	good





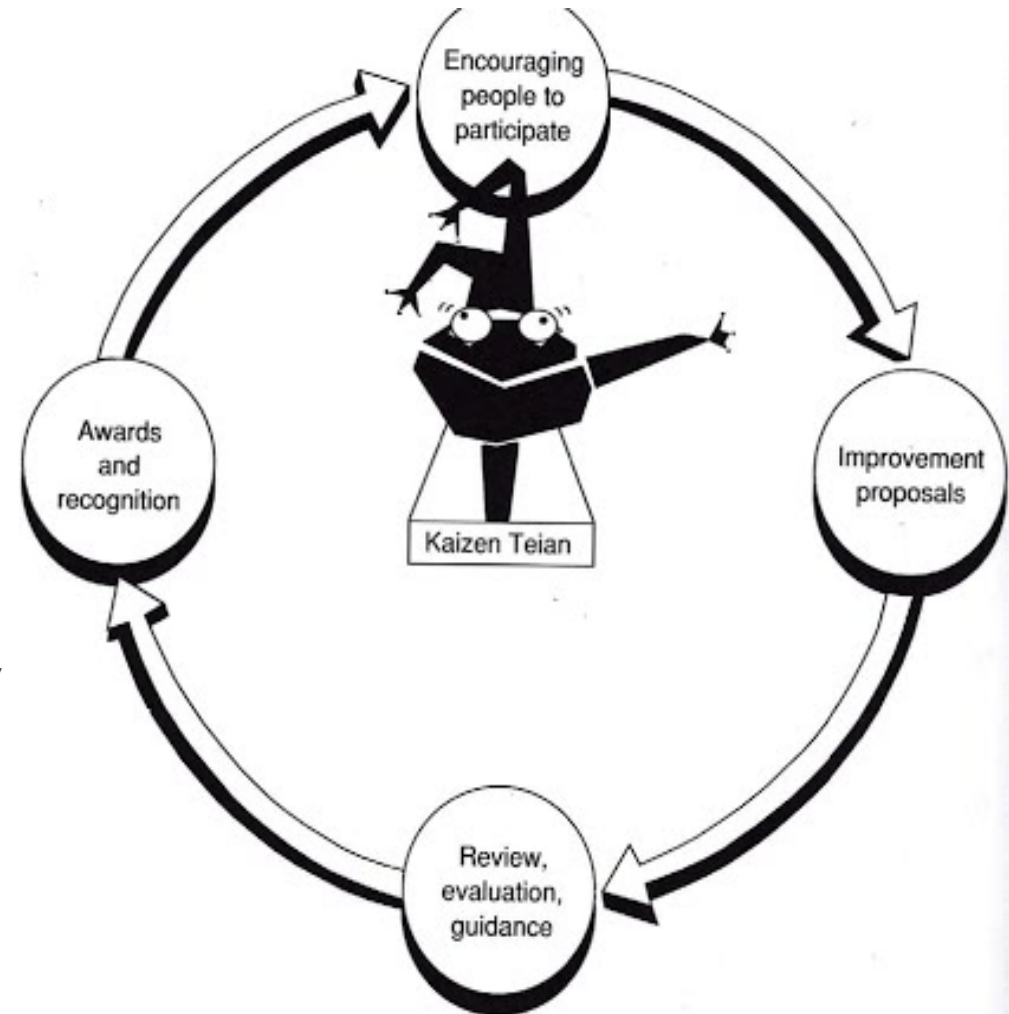
1. Kaizen Teian

“Teian” translated as “Suggestion”. Alike “Kaizen”, the word “Teian” is gradually gaining acceptance world-wide.

- Bottom Up
- Simple
- Low cost

Common Poster of suggestion scheme: “***Cash For Your Idea***”

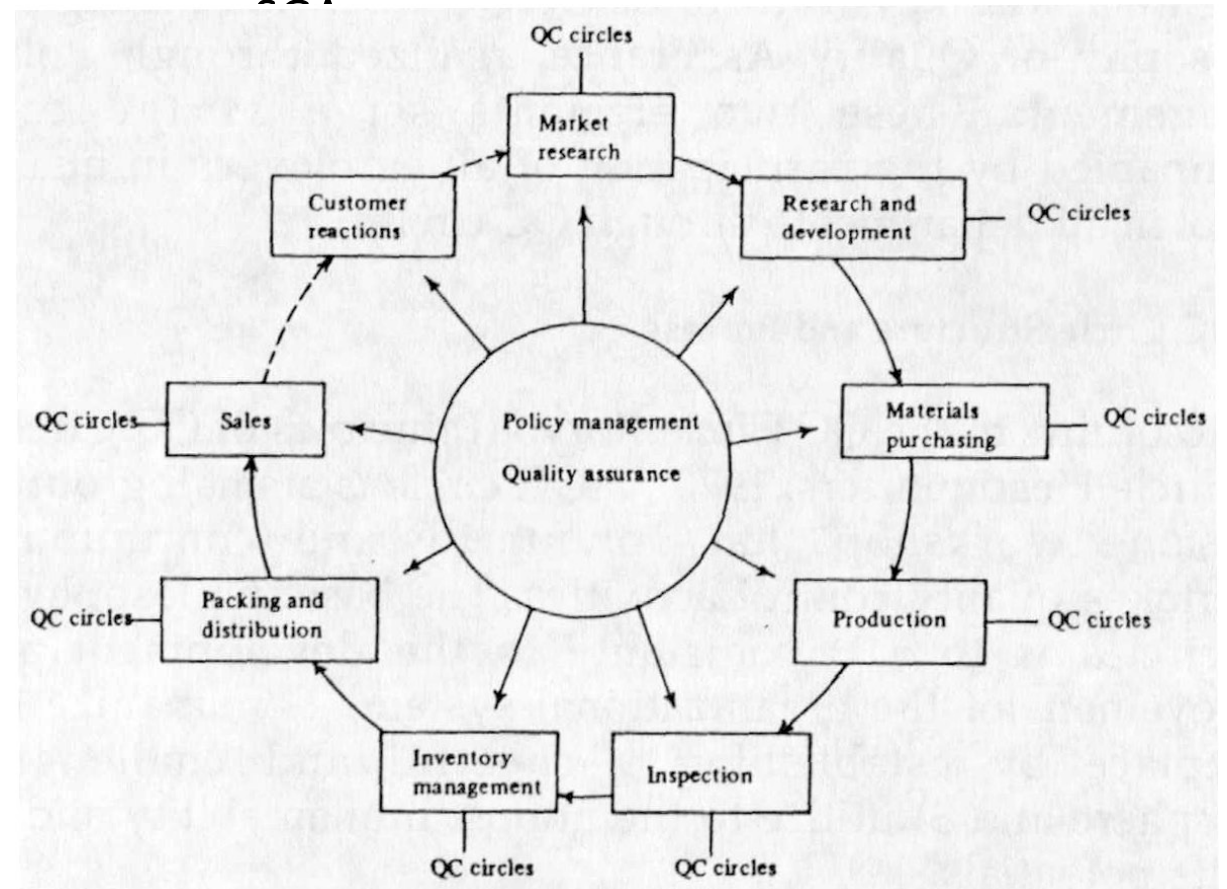
Poster of Japanese company: “***Let us improve the way we work***”



Kaizen Teian – common practice

- Improvement source
 - Daily morning meeting
 - Previous Day issues
 - Rejection
 - Downtime
 - Customer complaint
 - Previous Day issues
 - Operator suggestion
- Team
 - One facilitator
 - Intra section/ department
 - Daily Meet (5 minutes)
 - Weekly (15-30 minutes)
- Report
 - Simple before - after

- Common approaches
 - QCC





2. Kaizen Event (Blitz)

- 3-5 days event

“Kaizen events are short duration improvement projects with a specific aim for improvement; events led by a facilitator with the implementation team being predominantly members of the area in which the kaizen event is being conducted plus a few additional people from support areas and even management.

- Bottom Up – involve management
- Organized and well plan
- Low cost





Kaizen Event – common practice

- Improvement source
 - VSM Current and Future state
 - KPI i.e.
 - Low sigma value
 - Frequent Downtime
 - Operator suggestion
- Team
 - Expert facilitator
 - Inter section/ department
 - 1-4 events per area per year
- Report
 - Compilation of several simple A3
- Common approaches
 - 8-D
 - Kaizen Workshop
 - Lean Workshop
 - Six Sigma yellow or green belt



▶ 2013 (17)

▼ 2012 (41)

▼ December (11)

LEAN Dream -
Automotive Plant

Profil Manusia

Lean in Supply
ChainLEAN - Step 3
Eliminate Waste

LEAN Leadership

LEAN - Step 2
Identify WasteLEAN - Case Study
- Sistem
Penyampaian 1LEAN - Step 1
Awareness

Apa itu LEAN?

Workshop LEAN di
Suzhou - Tahun
2001 kot

MINGGU LEAN

▶ November (9)

▶ October (11)

▶ September (2)

▶ May (2)

Workshop LEAN di Suzhou - Tahun 2001 kot

He he he... terjumpa gambar lama. Dalam banyak-banyak worksyop LEAN, ni je gambar yang jumpa... macam kelakar pulak tengok gmbar muda-muda dulu...



Dulu buat worksyop, kena hand-on sekali..

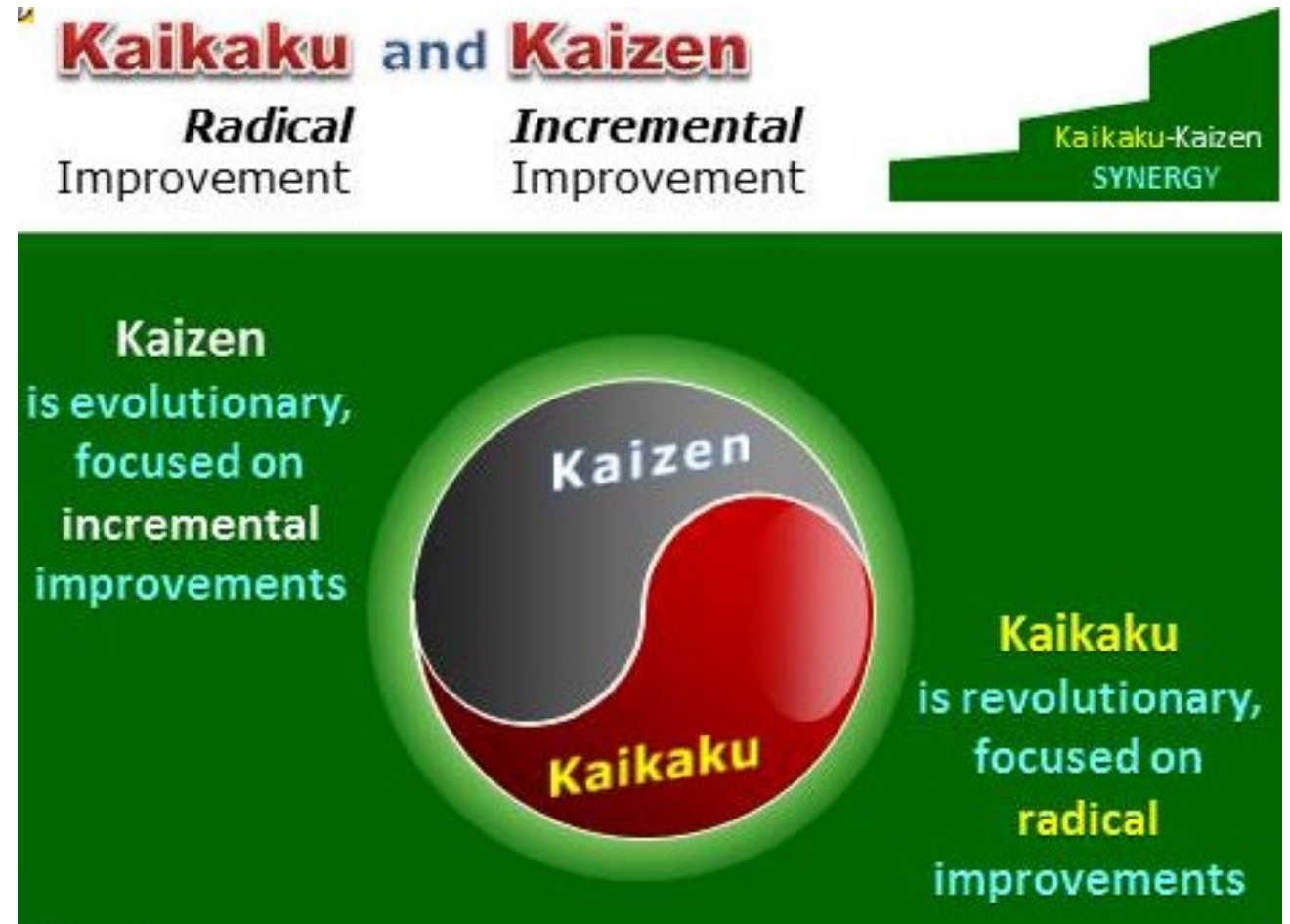




3. Kaikaku - BPR

Kaikaku (改革), is the [Japanese](#) term for "radical change" or transformation or revolution i.e. (IR4.0)

- Top Down – involve employee
- Organized and well plan
- Required investment





Kaikaku – common practice

- Improvement source
 - VSM Current and Future state
 - From overall kaizen analysis
 - Low sigma value
 - Frequent Downtime
 - Operator suggestion
- Team
 - Expert facilitator and external vendor
 - Inter section/ department
 - 1-2 events per area per year
- Report
 - Compilation of several A3
- Common approaches
 - Business process re-engineering
 - Lean/ Six Sigma black belt project





Kaizen (改善) = change+good = continuous improvement (DMAIC).

Kaikaku (改革) = change + radical = reform/big improvement (DMAIC).

Kakushin (革新) = new + transformation = innovation / reform / renewal

1-2 events per area per year

E.g. BC TRANSFORMATION

T1 - LEAN DIGITAL ADMINISTRATION & PRODUCTION

- Define Essential Activities (Value Added)
- Eliminate/ Minimized non-essential (Waste/ Non value added)
- Remote Administration
 - IR4.0

T2 - DIGITAL MARKETING & DELIVERIES

- Lean Digital Tendering
- Lean Online Customer order processing and deliveries
- Online E-Model
 - Model I which only offers a platform. Ie. Ali Baba, Mudah.my, facebook, IG, Carousel, marketplace, etc.
 - Model II - Offers platform, e payment, deliveries which are not immediately. Ie. Lazada, Shopee, Ali Baba, EBay, etc.
 - Model III - Offers platform, e payment, immediate deliveries and Limited FMCG and other services. Ie. Grab, Food Panda, etc.
 - Model IV, which only offers what the company does. Ie. Sephora, Lalamove, Lorry.com, Tesco.my, etc.

- Credit Wan Mohd Syazwan - Mara

Decisive
Strategy

Innovation
Canvas

Prioritised
Activity

E.g. BC TRANSFORMATION

T3 - RE-PACKAGE PRODUCT

If your company in category CA –

Repackage to suit the “NEW NORM”

T4 - NEW PRODUCT/ SERVICE/ BUSINESS

If your company is category CD, you really need quick product to sell

- Quick launch
- Minimum investment

Conduct SOAR and innovation CANVAS immediately

How about category AB? BC?

Decisive
Strategy

Innovation
Canvas

Prioritised
Activity

Operational Excellence/ Kaizen

Free Webinar:

Webinar 1 - **Pembangunan Program** Kecemerlangan
Operasi
19 June 2020 (10am-11am)

Webinar 2 - **Mengenalpasti projek** kecemerlangan operasi
25 Jun 2020 (11am-1pm)

Webinar 3 - Pendekatan **perlaksanaan projek** kecemerlangan
operasi termasuk kaedah laporan dan penilaian
7 Jul (11am-1pm)

Register:
efrcertification.com

Sharing by:

Dr. Edly Ramly

*Fellow Industrial Engineering
Operation Management
Society, US*



Recommend further information/study on OEMS

Include
Templates,
manual, SOP,
form, examples,
group
brainstorming
sessions

Contact MPC on Virtual 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
- 1 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 July 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

