



Too early? Just in Time or Just too late!

More than a decade has now passed since the Western World was made aware of 'Just in Time', a term used to describe the most visible aspect of the Toyota Production System. Today the term is not used so much but many are aware of the Kanban or two card pull system for inventory reduction. We believe that the potential of this

Announcing our 2 day



ISO 9000:2000 Transition Auditor Training Courses

(IRCA certification applied for)

First public course 2/3 October 2000 in Birmingham

Then, on going dates throughout the UK.

If you are a certified Auditor or Lead Auditor did you know that:

When the new ISO 9000:2000 standard is launched you can only upgrade to conduct audits to the new standard if you have either successfully attended an approved Transition Course with a minimum of 14 hours content approved by the IRCA or obtained exemption.

That certification to the new standard requires evidence of having conducted 4 audits to the new standard with a minimum of 20 days total time.

That these audits must be completed after attending the Transition course.

The material used in our Transition course has been extensively field tested in our 1 day Management Awareness training courses with very positive feedback from our participants?

ISO 9000:2000 contains many new concepts that are best appreciated by in depth study which will be the subject of a whole range of new courses we are offering.

Contact patricia@hutchins.co.uk for brochure and full information.



powerful concept not yet been fully appreciated despite the publicity it received in the late 1890s.

The reason is possibly due to the fact that industry may not have been sufficiently familiar with the quality related disciplines involved at that time. Also there was considerable confusion regarding the relative importance of the 'push' based production control system MRP2.

Just in Time was inspired by Toyota in the early 1970s but this was only after more than 20 years intensive pioneering in QC Circles, Project by Project Improvement, Supply Chain Management, and Statistical Quality Control to levels only just being achieved today in the American Companies applying Six Sigma.

Imagine for example, a manufacturing plant or continuous process operation of any description but with absolutely no finished goods inventory, no
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Holidays over?



It seems to us that the whole world took July and August off for their holidays this year or those not so lucky were covering for those that are. We have been depleted in resources too. On top of this we have been working very hard preparing our new ISO courses for certification. This has been a lot of work and there is still much to do so we decided to merge the July and August editions into one fairly slim publication. However, we are now back with all the usual features.



Quality History – did you know that.....

A very early piece of software, the CALENDAR, can teach us a lot about one of the most critical aspects of Quality ! Meeting the customers requirements. Who was the customer? - and are we, as present customers, using a product that meets our requirements? The 'modern' tale starts, when Julius Caesar requested a design change. Up to this point, most people were happy with the Romulan (named after Romulus not Star Trek) Calendar of ten months and about 30 days per month, since the requirement was for a system for merchants, to give delivery and payment dates AND interest rates.

How much (Quality?) history do you know?

This Month's Quiz question

One of the many aspects of the Calendar that influenced Quality was the 'Weekend'. The Romans did not have weeks, so when and who introduced the seven day week ?

We will publish the answer in the next edition together with the name of the first correct entry received.

Julius Caesar sought advice from consultants. (Egyptians, not the well known and responsible organisation in Sandhurst) The consultants suggested that a year was 365.25 days and the present Calendar could be adjusted by adding two months to end. This obviously met one of Caesar's main requirements of booking his villa in Gaul at season when the sun shone. So the calendar was -

Martius 31	Aprilus 30
Maius 31	Iunius 30
Quinctilis 31	Sextilis 30
September 31	October 30
November 31	December 30
Januarius 31	Februarius Remainder

So far great! A simple device with the first four months named after gods the next six named after their position in the Calendar and two new ones; sequential order of 31 and 30 days. Potentially exceeding our requirements since we now have an almanac. It meets the merchants requirements and those of Julius Caesar. Unfortunately this is where the tale takes a turn for the worse.

The senate, quite carried away, decided that since Julius Caesar was a god, a month should be named after him. The fifth month, now to be called Julius. This is a change without consulting the customers; equivalent to adding that extra feature in software that will come back to haunt you in time. That time was the 'Ides of Martius'. Shortly after this kindly gesture by the senate they conspired, and as Shakespear tells us, Julius was mugged on the steps of the senate. In comes Augustus Caesar, an egomaniac not known for his wisdom. He did not wait to be asked, he wanted a month, hence Augustus the six month. A harmless change until he suddenly woke up to the fact that his month only had 30 days! Changes then came thick and fast, apart from needing a rhyme such as "30 days hath September, April, June & November", the first day and hence the first month of the year changed from Martius 25th (lady day) to Januarius 1st. Merchants, of course and the Inland Revenue keep March 25th as the first day. So we now have months logically named after their position in the Calendar e.g September (Seventh Month) is actually the ninth month. By 1582 the Calendar was noticeably out of synch. Pope Gregory's fortnight in Majorca was as bad as Caesar's trip to Gaul. So another 'patch' was introduced. Simply taking out 10 days in October of that year.

The Gregorian riots ensued, which some historian suggest was fuelled by thoughts that people were loosing ten days of their lives. In reality this was because they were paying 10 extra days interest on their Barclaycards without the benefit. It's perhaps interesting to note that the Inland Revenue changed the year start from 25th March to 5th April to ensure we would get the opportunity to pay tax in full.

So where has this ramble taken us?

Customer requirements do need to be reviewed, but must be focused on what the customer wants, not what we can do for the customer. When we talk about software we find analogies to the Calendar, we rarely redesign but amend, change, patch and the longer we do it the more interactions occur until we reach the chaos that is our present Calendar. Where it is difficult to use, and presents interface problems with modern life and technology. However our Calendar is quaint and I love it, and would strongly protest against decimalization.

Was Augustus' ego the seed of destruction?

Consider the 'Augustus factor' in your design reviews.



If you like this e-zine, please forward a copy to friends or colleagues and Tell us what you would like in future editions

Continued from page 1

Stock yard, no so called 'work in progress' (if it were progressing it would not be a problem), no unscheduled stoppages or breakdowns, no waiting time, no rework, set up times almost non existent and all processes running at full speed all of the scheduled operating time.

What would be the costs of running such an operation? How much floor space would be required? How much labour? How much pant? What would be the lead times if every product went from first operation through to finishing with no hold ups at all? What would be the credit period for payments on such rapid order processing? How much bigger share of market would you be able to take if your customers were able to see this effect?

In contrast, what are the equivalent costs of running your operation as it is today? What is the difference?

All of this is impossible? Maybe but how close can we get if we try?

One large British food manufacturer decided to find out.

In less than one year they had reduced finished goods stock from over £26 M to less than £10 M. The number of stock turns from 6 per year to nearly 18. On main line products the lead time was reduced from nearly 3 weeks to less than 3 days. The floor space saved was converted to production use which allowed for necessary expansion that would otherwise have required additional facilities.

In another case, in the Aerospace industry, the man hours required to produce a major sub assembly were progressively reduced in one year from 72000 to 44000. In the next year from 44000 to 24000 and to 18000 in the following year.

During the same time, the labour force was increased from 6500 to over 9000 due to the extra business generated in the now highly efficient plant.

In another case, a company which manufactures hearing aids managed to reduce die setting time from more than 6 hours to 1 minute 45 seconds! This eliminated the need for a part finished goods store completely and they were able to use the kanban principle exactly as it was intended.

All of these examples are British not Japanese however in Japan such examples are common place amongst their leading companies. In Toyota the concept is known as Just in Time, in Nissan – stockless production.

Those who understand JIT have come to realise that it is not really a concept at all. More it is the consequence of the interaction between a number of mutually beneficial concepts rather like the interactions which can be found in a designed experiment. It is only when all of them have been properly developed that the real benefits of JIT can be realised.

Another fallacy is the belief that JIT can be achieved solely through pressurising suppliers to deliver earlier. Deliveries may well arrive sooner but the probability is that quality will be worse as a consequence if the supplier receives no assistance in being able to do this through process improvement.

If JIT is achieved this way, it is likely that the overall effect may be that costs will be increased due to the reduction in quality.

True JIT requires that the whole supply chain is involved in the improvement process and the cost eliminated throughout. If the problems are simply pushed back, the cost is still there and may even be higher as a consequence.

True JIT companies develop supplier partnerships throughout the length of the supply chain. In the Toyota Production System this is known as the 'Toyota Family' concept.

In an earlier edition of Touchstone we featured the development of supply chain partnerships and the effect of the internet and supplier transparency. We believe that if JIT is really to take off here in the West, supply chain quality is due to become a major management feature in the years to come.

'TRIDENT'

Our three core activities

Training and Advice products from DHi will, in future, come under one of three headings.

Six Sigma

(covering all aspects of Total Quality)

ISO 9000

Clinical Governance

Details next month

Contact quality@hutchins.co.uk for more information.

We have updated our range of Six Sigma courses in line with comments from clients, especially for a new 'Guardian' program to enable executives to pro-actively support Six Sigma projects in the Workplace.

Six-Sigma Training with David Hutchins International Limited

David Hutchins International Limited provides, expert & effective advice, and training to the highest professional and technical standards. Our clients range from sole-traders to global organisations. An outline of our 'standard' Six-Sigma programme is given below; such courses can be customised for in-house use. This ensures that those already well advanced in their quality journey do not have to repeat training of initiatives that are already embedded, and to ensure Six-Sigma is integrated within their present values and philosophies

Six-Sigma ?

Six-Sigma at one level is a measure of variability, and variation is the major cause of defects and a major cause of processes being out-of-control. However, Six-Sigma is an integrated systematic methodology, directed at achieving profitability through efficient and effective performance. This is based on meeting the customer needs, within an organisations values. This dedication to achieving financial results has led to dramatic results when applied in project form to organisations in many sectors including design and manufacturing, financial institutes, and health care.

David Hutchins International Limited Six-Sigma courses include:

.Six-Sigma one-day awareness

Designed for Executives and Board members to demonstrate the value of Six-Sigma methodology and to provide an insight at to how such a program can be integrated with existing Quality initiatives and company values.

.Guardian Programme (three days)

Training programme for Executives that enables understanding and control of the projects being managed and implemented by 'black belts' and their teams. This program ensures that hands-on support and direction can be given to the projects and executives become the interface between teams and the company board.

.Black Belt Programme (4 weeks training over 4 months see page 2)

The major training for those managing Six-Sigma projects and those providing continuing in-house instruction of the Six-Sigma philosophy and methodology. Each of the week-long training sessions is followed by project work to ensure the training is embedded and provide immediate benefit to the organisation.

Certification at each stage of the training course is subject to satisfactory progress of the project and completion of a final report assessed by a Master Black Belt trainer of David Hutchins International Limited.

.Project Team Coaching

Some clients prefer to continue being supported by David Hutchins International Limited during project definition, implementation and other phases. Such support is available at a day rate from our small team of Black Belt Instructors.



Six-Sigma Training with David Hutchins International Limited

Black Belt Programme

YELLOW BELT (Course as below plus project assignments for each delegate)

Basic tools

5 days

Statistical Process Control	Pareto Analysis
Histograms	Measles / scatter charts
Correlation	Check sheets
Brainstorming	Force Field Analysis

GREEN BELT (Course as below plus assessed project assignments for each delegate)

(Statistical Process Control)

Human Factors

2 days

Problem solving in groups Presentation Skills

Facilitation **Benchmarking** **1 day**

Process Benchmarking Competitive Benchmarking Internal best practice

Analysis and Problem Solving 2 days

Root Cause Analysis Waste reduction Quality Costs

BROWN BELT (Course as below plus assessed implementation of a Six Sigma project)
(Statistical Process Control)

Business Process Improvement methodology 2 days

Process Mapping Measurement Frameworks

Continuous Improvement Management Tools 2 days

Affinity Diagram Interrelationship Diagram Tree Diagram

Prioritisation Matrices Matrix Diagram Process Decision

Program Chart Activity Network Diagram

Project Management 1 day

BLACK BELT (Course as below plus assessed implementation & professional paper of a Six Sigma project)

Six Sigma methodology **½ day**

5-S practice **½ day**

Structure Systems Sanitise Standards Self-discipline

Business Process Improvement methodology **2 days**

Quality Function Deployment Design of Experiments

Value Analysis Mistake-proofing FMECA

Innovation **½ day**

Human Factors **1 ½ days**

Leadership Relating to people & influencing

International Quality College

Benchmarking

During this event, managers will learn how and when to use Benchmarking techniques to bring their Strategic Business Plan into focus. Through group work and case study material, participants will learn the steps involved, addressing why, what, when, where and how to Benchmark. Using Hoshin Management Principles participants will understand how to Deploy strategy and policy throughout the Organisation.

2 days
£550

Just in Time

Just in Time provides a philosophy that if applied properly could revolutionise industry. The concept - making nothing until it needs and then producing to the highest level of quality - sounds simple, but it can cut a company costs by up to 60% of sales revenue.

The presenter draws on his experience of those organisations already working Just in Time, particularly in Japan.

JITs can only be achieved by company wide dedication to improve the predictability of processes and to achieve dramatic cycle time reduction.

1 day
£295

Balanced Scorecards

In an age where both customers and competitor knowledge and information is freely available, even small differences in approach can make big differences to business performance.

One technique being used by leading organisations is the Balanced Scorecard. This is particularly the case with those organisations apply Six Sigma management and developing knowledge Based Management Systems.

Today, it is vital to be able to deploy clear goals down through the organisation in quantifiable form. All too frequently in the past, these non financial measures have been deployed in qualitative rather than quantitative form.

The Balanced Scorecard provides an effective solution to this problem by providing managers at all levels through to front line supervision with clear quantified non financial goals for each of the relevant parameters.

1 day
£295

Managing for Quality

This course is designed to provide the participant with the very latest thinking on Quality Management. Not only from the point of view of David Hutchins but from selected practitioners whose business is to be at the state of the art on all of the relevant concepts.

An appreciation of Six Sigma, Master Black Belt, Black Belt and Green Belt training, how Six Sigma relates to Total Quality and other initiatives. The cultural issues and making change possible.

Full cover of Hoshin Planning, Identification of Key Performance indicators that can be used for performance improvement, Policy Deployment using the Balanced Scorecard approach Quality Related Cost Analysis. Setting up improvement teams that produce results Kaizen, QC Circles, 5S programmes, Gemba Kaizen, Total Productive Maintenance motivation tools, suggestion schemes and recognition. Dealing with the risks, Product Liability and Product Recall.

4 days
£1350

Partners in Quality. Due to the extraordinary success of TouchStone and forwarding on from our direct contacts, we have no idea how many people are reading it or where it has reached around the world. So, we want to know who you are and to build our links with you.

The sharing of information between ourselves, our clients and the Global Quality community is important to us so we have created the idea of Partners in Quality. All you are required to do to become a member is to return the form at the bottom of the special last page of this edition. We will then send you an email copy of the certificate also shown on that page which you may print if you wish. You will also be given a unique registration number which will enable you to attend our courses and seminars or purchase our products at discounted rates. Also, we are contemplating the creation of an extension to our web site which will contain benchmarking information. There may at some later stage be a charge for the use of this service but it will be free to all those who have previously registered as Partners in Quality during the next few months. In effect you will become a founder member!

International Quality College

ISO 9001:2000

These workshops are based on the latest ISO/DIS 9001-2000 standard issued at the end of November 1999, which follows on from the various Committee Drafts (CDs) that have been issued over the last six months.

The above draft, is the last one prior to the official issue of the standard due at the end of 2000. The only changes that may be made, could be of slight interpretation of some wording.

We therefore suggest that the time is right to commence reviewing your current ISO 9000 1994 standard against the requirements of the 2000 standard.

It is a forum where you can share interpretations of these models with experienced consultants and people in other industries.

1 day

£255 (including a full copy of the final draft)

Business Excellence

To achieve Business Excellence means going beyond reliable quality of products and services and involves every element of the way your organisation is measured by your customers, stakeholders, people, suppliers and society as a whole.

Self assessment against the EFQM Excellence Model is now a proven step on the path to achieve Business Performance improvement and Total Quality

This course is designed to give delegates practical awareness of the model to enable them to self access their organisation and implement Business Excellence in such a manner that it integrates with their present Planning and Quality Improvement process rather than become an additional initiative,

**2 days
£550**

Quality Function Deployment and it's Metatools

Quality Function Deployment (QFD) had long been used in design and development to ensure that Customer's requirements are paramount, understood and pursued throughout the design process. The versatility of this tool enables it to be used beyond design into every aspect of an organisation for planning and implementing focused change.

What QFD is used with it's "metatools", it becomes a major technique for all aspects of Business Performance Improvement and Planning.

The "metatools" used are adaptations of:
Design of Experiments
Mistake proofing
Value analysis
FMEA (Failure modes and effects analysis)

This course is designed to give delegates practical guidance and training to enable them to apply this technique in their workplace.

**1 day
£220**

Strategy Deployment & Development (Hoshin Management)

The importance of Business Strategy to the success of Quality initiatives led David Hutchins International to develop a powerful and effective structure through which organisations can identify best-in-class across the spectrum of key factors, and then use these to put and sustain their own position at the front.

The strategies developed using this approach link directly to Total Quality, Six Sigma, QS 900, approaches and can be mapped directly into the Baldrige, Business Excellence Model or Deming Award criteria.

The programme is aimed at business executives at Board level who are normally concerned with long-range planning, visioning and strategy development.

**1 day
£295**

Next month

Along with our regular features, let's hear from you. We will print appropriate e-mails or letters about:

Your views on Quality.

Your views about us.

Quality of Supplies and Suppliers

2 day intensive workshop/seminar

The dramatic changes that are taking place in Supply Chain Management are resulting in a major rethink about business policy by both suppliers and their customers alike.

The seminar considers the impact of e-Supply Chain Management (e-SCM), QS 9000, the new ISO 9001:2000, Six Sigma and SPC, Vendor rating and Vendor Appraisal, the use and limitations of Sampling inspection.
2 Days £550 plus VAT.

This first article from me will be about 'understanding the process' since this is a stand-alone section that is useful in many contexts. Also its not too 'heavy' and gives an introduction to my style.

It assumes that you know your major processes, which is a big assumption in many organisations.

Most Large organisations follow a pattern when they identify major processes, and identify about eight major processes. E.g.

Sales & Marketing

Post delivery services (Customer Services)

Supply chain

Employee management

Financial control

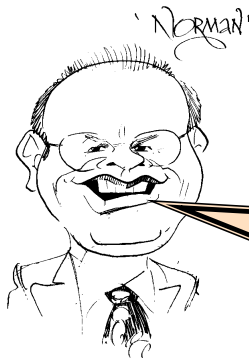
Knowledge management

Planning & Performance

Design-Manufacture-Service (i.e. The value-added they are in business for)



My experience suggests that we would need to revisit identification of major processes at some stage, therefore we will cover it in the next issue (Parts 2 & 3).



Big Tip from Norm with to Process Management

Once you have determined your processes, don't say "we'll start with a simple process then tackle our problem areas". Start with your major area of concern, almost certainly the actual product or service producing process.

"Management of Processes"

- Part 1 Understanding the Process (This issue)
- Part 2 Priorities of improvement "Getting rid of clutter" (Next issue)
- Part 3 Identifying your Processes (Next issue)
- Part 4 Planning major process change to achieve performance
- Part 5 Changing processes using project management
- Part 6 Day to day improvements of processes

Management of Processes - (1) Understanding the process by Norman Towe

There are many ways to manage a process, but as with most 'Quality' activities we have to return to the guidance from people like Juran who advocate simple cyclic methodologies to manage everything.

We need to **understand the process** and possibly the best way, is to 'map' the process which gives us a visual flow chart. We need at least two forms of measurements - Process overall measures and in-process measures, being those measures taken at critical points in the process flow chart. Then once we understand the purpose of the process by its measurable goals and targets we can analyse the process performance.

Performance is the key to management. From this feedback we can establish if a process is in-control or not. A process that is in-control should be subject to continuous improvement but prioritised accordingly. A process out of control may require anything from minor adjustment to radical change or even replacement.

All-purpose Process Map:

At the high level one can consider all process maps to have 6 main stages or steps.

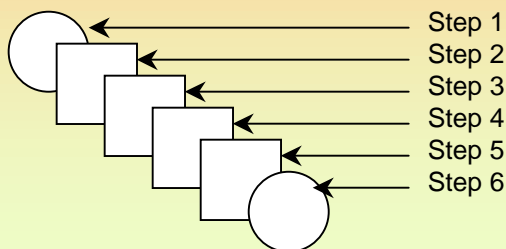
Step 1 - The need given by customer (internal or external)

Step 2 - Clarification, or analysis, of the need.

Step 3 & 4 - Actions to satisfy the customers need.

Step 5 - Reviewing that the action has satisfied need.

Step 6 - Handover / Delivery



Process Portfolio

Following the establishment of a process map we need to collate our knowledge (or lack of it) about the process and each process step -

We need:

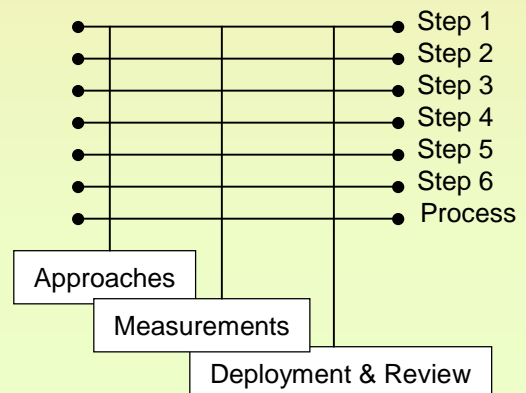
1. A 'catalogue' of approaches - We know what the process and each step is designed to do, but HOW does it achieve it's objectives - the procedures, the standards, the policies, etc.,
2. The policy on how the approaches above are reviewed to ensure they meet the objectives of the specific step and how we ensure that the approaches are deployed fully and consistently.
3. Process and in-process measures for each step that include at least one significant measure of:

The process and step's Efficiency (measurements that allow us to identify the value added against the total resource used).

The process and step's Effectiveness (The quality of product or service measures)

The process and step's ability to satisfy the customer (complaints, customer satisfaction surveys, etc.,)

The process and step's effect on those that work within its bounds (employee commitment, involvement, etc.,)

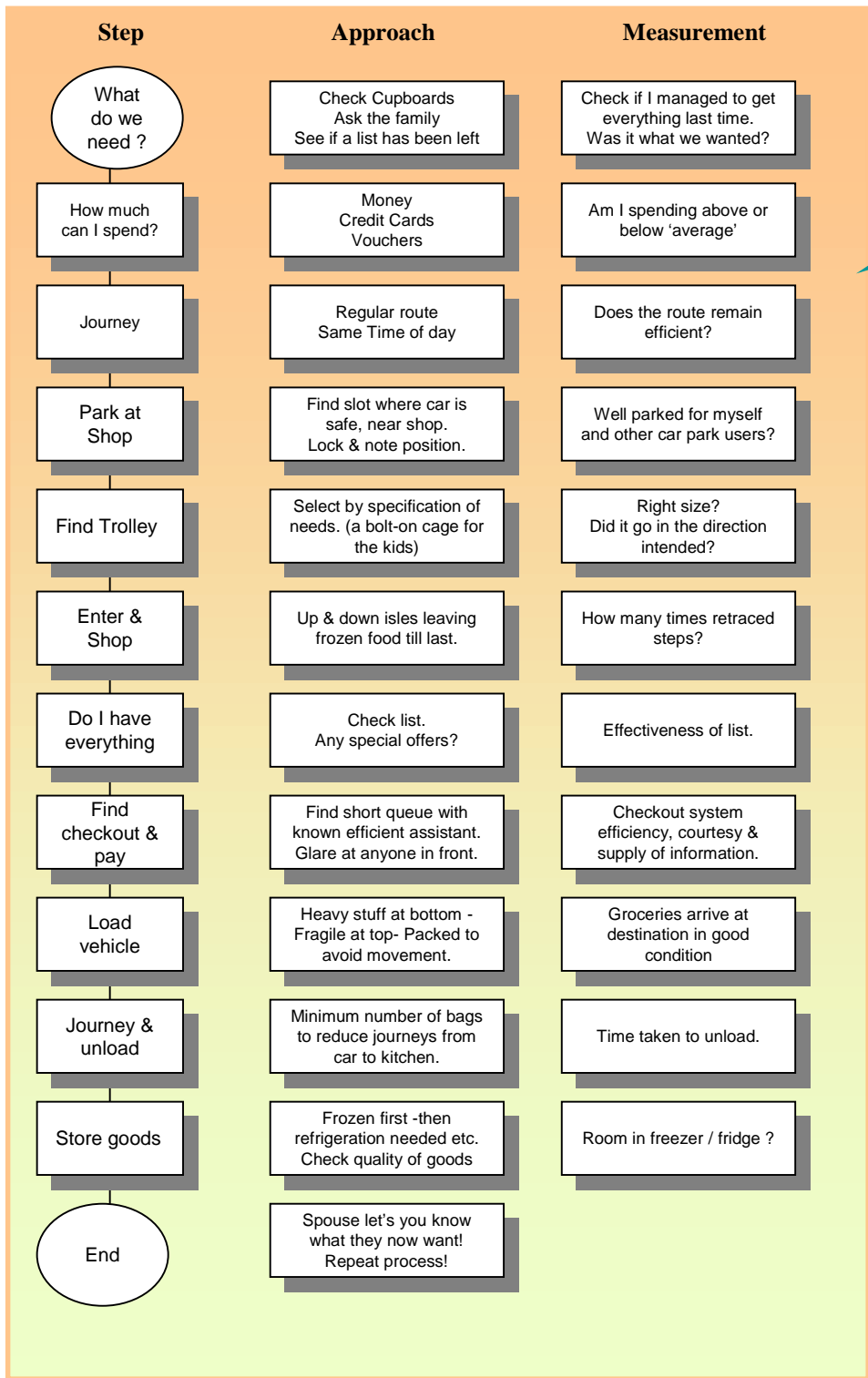


Big Tip from Norm with regard to Process mapping

Mapping processes is a big investment in resource if you are starting from a position of little information on file, therefore make sure **which** process you are mapping. Hundreds of maps are plausible from a single process with six major steps unless you are consistent in definition.

Every step, every procedure has at least 4 versions: What should happen, what the documentation says should happen, what people think happens, what does happen etc. During any mapping process decide which version you want to use, which may not be immediately obvious; when you have decided, stick to it for all the discussion.

Management of Processes - (1) Understanding the process by Norman Towe



It is unlikely that even I would map the process of shopping for the weekly groceries, but let's hope it works as an example.

From this example we can detect a framework that will give us all the data we need to understand the process, and to evaluate if the process is meeting its purpose in the right manner. It may need to go down to another level of detail to establish good or bad practice but the same framework can be used.

Mapping, knowing goals, measures and an understanding of the approaches (procedures) is the first step to Managing a Process.

Management of Processes Part 2

(next issue)

Takes us from here (where we understand more about the process) to deciding priorities of any improvements.

Looking at the overall Process Measures:

- Effectiveness - Did the purchases satisfy the need? (Right products, quality and quantity)
- Efficiency - Did the whole process achieve resource requirement? - value for money, time & money spent.
- Customer Satisfaction - Are the family happy?
- People satisfaction - Am I happy with all elements of the experience? E.g. Parking

Registration Form

Course Title:

Title:

Forename:

Surname:

Position:

Company:

Address:

Tel:

Fax:

Email:

VAT No:

No of Delegates:

Names:

Course Price

£

10% Group
discount (3 or more
people)

£

VAT @ 17.5%

£

Total

£

Booking details

The course fees are plus VAT at 17.5%, which includes all documentation, refreshments and luncheon.

Group bookings

There will be a discount of 10% on bookings of 3 or more people from the same company. Payments must be made at the same time.

Payment

Payment may be made by Sterling Cheque (made payable to DAVID HUTCHINS INTERNATIONAL LTD) To ensure admission payment must be received prior to workshop.

How to Register

Please complete and return the attached booking form to: David Hutchins International Ltd, Sandhurst House, 297 Yorktown Road, Sandhurst, Camberley, Surrey GU47 0QA

Tel: + 44 (0) 1276 36616 Fax: + 44 (0) 1276 37609

email: quality@hutchins.co.uk

Cancellations

If you cannot attend, a substitute delegate may attend in your place but it is regretted that refunds, in respect of any cancellation, cannot be made unless notice is received in writing 10 working days before the date of the event. Cancellations prior to this will be refunded less an administrative charge of £50.

Enquiries

Enquiries, telephone bookings, and changes to delegate information should be made to: Patricia Dias

Tel: + 44 (0) 1276 36616.

Special Meals

Special dietary requirements can normally be catered for but please inform us no later than 3 days prior to the event.

Partners in Quality

This is to certify that

Name.....

Shares with David Hutchins International Limited the belief that Quality can only be achieved through people.

It is our understanding that the desire to do quality work is natural to mankind and that success is only possible in the competitive world of today if we can use the collective thinking power of all of our people to become the best.

We also believe that we must endlessly strive for continuous quality improvement and continuous cost reduction because there has never been any end to man's creative possibilities. Always we can find better ways of doing things.

Signed Dated

David Hutchins, Chairman David Hutchins International Limited

Registration Number

Partners in Quality Registration Form

Title: Forename:

Surname:

Position:

Company:

Address:

Country

Post/Zip Code

Tel: Fax:

Email: