

The background of the lower half of the page is a dark blue-grey color. It features a large, faint, light-blue graphic of a diamond shape with four arrows pointing outwards from its center towards the corners, suggesting a cycle or a process flow.

How to Apply The

SHINGO MODEL

To Your Supply Chain

INTRODUCTION:

Congratulations! You understand what the Shingo model can do for your facility — and you are taking one large step toward cultural transformation for your operations and processes.

Talking about the Shingo model is easy, but executing the necessary actions to implement it is a completely different story.

With this step-by-step guide, you can roll out the Shingo model in your facility. We can't say with certainty how long this process will take for you, as it will depend on your team's capacity and how quickly your organization wants to make the Shingo model your standard.

This guide serves as your overview for the Shingo model. We also included some of the specific practices Kenco uses when addressing each stage in the plan. These should help you visualize the steps less hypothetically and more from the viewpoint of a company that has implemented the Shingo model, itself.

The Shingo model is a journey through four dimensions:

- 1.** Cultural Enablers
- 2.** Continuous Improvement
- 3.** Enterprise Alignment
- 4.** Results

Either way, we hope this guide provides great value for your team in reminding you that the Shingo way and its methods are achievable at any organization's size.

STEP 1: Do a Baseline Assessment

Your first step isn't an audit. It isn't a checklist. It is an assessment. The intent of the assessment is to evaluate the entire site and determine the extent to which the principles of operational excellence are deeply embedded into the culture of the entire organization. You want to learn about the workforce and the site, not simply check things off on a "have" or "do not have" list. Your assessment should evaluate results, as well as behavior.

Keep your assessment behavior-based; ask open-ended questions to fully understand the picture of what's going on at the site. The real value is gleaned from listening and understanding the responses as they are the best indicators of the real culture in the building. Remember, the first assessment should serve as a baseline.

Topics and subsequent follow-up questions would consist of [the ones on this spreadsheet](#).

FOR EXAMPLE:

Managers and supervisors are seen as mentors & coaches:

- ✓ Who do you go to when you have a problem?
- ✓ How do your supervisors/managers help you solve problems?
- ✓ How accessible are your leaders to work on problems?
- ✓ Tell me about how you have solved a problem with your supervisor.



HOW KENCO DOES IT

Lean emphasizes low cost and simple solutions and how we select associates to interview is no different. We utilize a random number generator (using Microsoft Excel) against the site's roster and interview over **20%** of the workforce using the topics and questions like those above. This entire assessment can last 3-4 days, but it gives us the insights and deep understanding that we need.

STEP 2: Create a Roadmap for Success

Next, you'll want to create a structured plan to guide your path forward as a team. This can be a Gantt chart or simple 30-, 60- or 90-day plan in Excel. It just needs to be some sort of an organized method of moving forward. Your baseline assessment analysis should be the starting point when putting together your "roadmap."

SAMPLE PROJECT MANAGEMENT GANTT CHART:

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
Value Stream #1	Standardize						
Value Stream #1		Measure					
Value Stream #1		Improve					
Value Stream #1				Sustain			
Value Stream #2					Standardize		
Value Stream #2						Measure	

You will refer to this roadmap many times as you question your current processes and execute key movements. The main things this roadmap includes are your baseline key metrics, the biggest areas of opportunity (or "gaps") you see right away, and detailed next steps for correcting those processes.



HOW KENCO DOES IT

Based on the baseline assessment analysis, we create a customized and unique *Roadmap for Success (RFS)* plan for the site or network. This customized roadmap takes the gaps we identified in the baseline assessment, outlines key resources for our next steps, and timing for the rest of the initiatives.

STEP 3: Form a Steering Committee

Now it's time to involve your entire organization in this shift to the Shingo model. To ensure all key players are represented in your implementation, your steering committee should consist of employees from the lowest tier to the highest tier. Appoint a general manager to lead the steering committee.

The site steering committee reviews the roadmap you formed above and ensures appropriate resources are made available to all employees. Your steering committee leaders will also ensure employees are engaged in the process from here on out. They need to know which processes you are perfecting, why you have done so, and the results of any changes in routine they experience.

Your leaders can deliver monthly status updates during any corporate governance meetings.

These updates include:

- ✓ Key performance indicators (KPIs)
- ✓ Milestones completed so far
- ✓ The established roadmap and next steps moving forward

Ensure your whole team understands just how much progress you have made, as a whole, so far. They will feel more invested in the transition moving forward, and they will feel pride knowing they are contributing to the time and cost savings you see.



HOW KENCO DOES IT

At Kenco, the site steering committee reviews the *Roadmap for Success (RFS)* and applies resources where needed. We also place a Continuous Improvement Leader and Continuous Improvement Engineer on the committee. The Continuous Improvement Leader leads the operational deployment, and the Continuous Improvement Engineer serves as a coach and mentor for the members of the committee. We have found these two roles play a great part in the transition, as well as employee engagement.

STEP 4: Build a Model

Now, you're ready to begin your implementation. You'll want to start small. Equate it to choosing a paint if you decide to redecorate your living room. Pick a small area out of the way, at first, and test how the color looks before painting the whole room. This way, you can see roadblocks that pop up right away before you apply a process to the entire organization.

You'll want people to be able to understand the process starting at a smaller scale — and really see what it looks like to *“begin with the end in mind.”*

- ❓ How did the process improvement work on this first test?
- ❓ Were there communication issues?
- ❓ Do you feel like you had collected the proper baseline metrics?

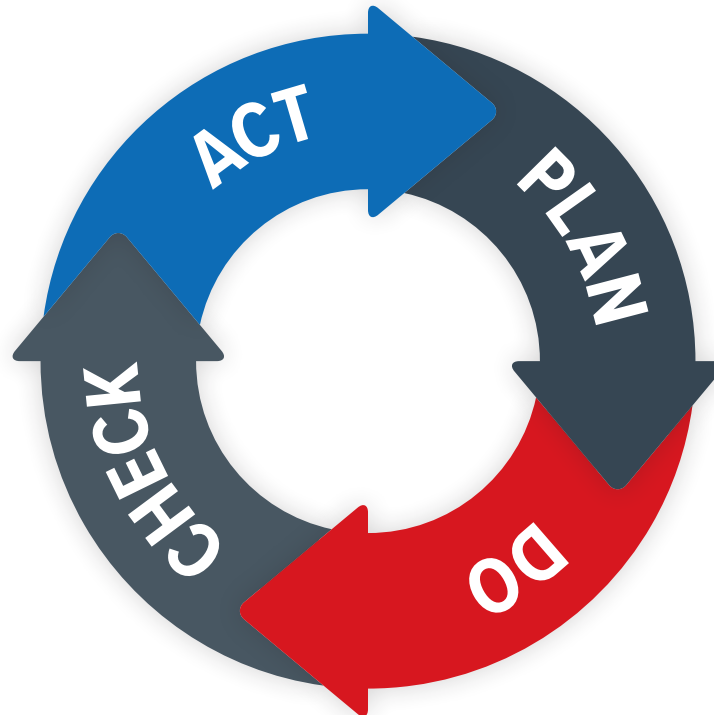
These are all important questions to ask after you have built your model.

❓ HOW KENCO DOES IT

We choose one value stream or department—and build a model with our tools needed for the process, and then we see how it works initially. This model tends to become the best value stream in the warehouse and an internal benchmark for other areas of the facility, giving proof to our process. We then use this proof, and anything we learned about the implementation process and communication efforts, to spread the success out into the site.

STEP 5: Let the Site Progress on Its Own

Even though you cannot simply copy and paste the model to all other areas of your site, you will apply the knowledge you have gained over and over again to the other value streams in the building. The site should move value stream by value stream. Eventually, something will happen at the site that affects resources, time, or budget (RTB), and you will have to adapt accordingly.



HOW KENCO DOES IT

As we progress the Shingo model throughout the site, we absorb feedback and turn roadblocks and barriers into actions. This “learn by doing” process helps us move the site slowly forward and toward a more of a Shingo-based model of operational excellence.

We see every “failure,” no matter how small, as a space to learn and improve as we move to the next value stream.

STEP 6: Set up a Governance Meeting

As part of the transformation process, your implementation team (from step #3) should meet with senior leadership on a monthly basis to review progress from the previous month. This is a governance meeting, and it will act as a touch-base for sharing progress on your KPIs, lessons learned so far, and allow stakeholders an opportunity to peek behind the curtain.



HOW KENCO DOES IT

Our main purpose of the review meeting is to ensure the sites that are going through the transformation process are progressing as planned through the various stages of the *Roadmap for Success (RFS)*. We also address any specific barriers that have come up and address questions from around the table. We ensure everyone who has concerns is heard, and we take all of the feedback into account as we move forward.



FOR EXAMPLE: If a site leader reported that she could not move forward with her plan to complete a critical improvement project due to resources, time or budget, the leadership might remove these barriers by sending the site additional resources, providing financing or coaching for the leader on alternatives that may be employed.

STEP 7: More Assessments

As the site becomes more Shingo-based, you will have to assess it at intervals. These assessments should focus on incremental growth and further adaptation of the Shingo model into every process and task. Try to consistently move your baseline further and further toward a fully integrated, Shingo-based facility. As your organization gets more efficient, you'll see no process is too small to optimize at the most granular levels.



HOW KENCO DOES IT

One assessment we use is our Mentor Trip assessment. It puts a different set of eyes to look at how the journey has progressed. A trained and very experienced lean sensei assigns the site the next incremental step for a particular tool or process improvement. (i.e., They have discovered that you haven't assigned where the trashcans go and in what location they should be. They will then want you to analyze where the trashcans should go and how many should be there. The mentor trip requires only one full day at a site.)



2001 Riverside Drive, Chattanooga, TN 37406

1-800-758-3289 | KencoGroup.com