The Open University

# Problem solving and improvement

COSi: Introducing the LEAN approach

Ident: Problem solving in action, Transformation at COSi

## Nick Rich, Director of COSi

We're a subcontract cosmetic manufacturing company here at COSi. We produce cosmetics for all different brand owners, not only just the UK, but internationally. Our specialism is in very flexible short-run production to meet exact customer demands.

We are not a big batch producer that stocks huge amounts of product. In actual fact we don't stock anything here, so our volumes have to be very small, produced very quickly and produced exactly to order.

The strategy we adopted here we initially labelled LEAN, and the lean approach to doing business, to try and get over to people that we use less resources to get the same amount of customer service, and same amount of volume out.

We are not too bothered about the semantics of what is LEAN, and what isn't LEAN. The main logic was we had 750 to 1,000 people here, all capable of doing problem solving activities to help turn the business around, and we needed to tap into that.

## **Rob James, Operations Manager**

If you take the staff who are directly involved with adding value to the product sat on our production lines, by taking a more non-hierarchal approach, we are looking for them to tell us what they can do, help us in making their ideas happen, and driving through the improvement ideas that they have, to generate growth within the business.

## **Kevin Wykes**

The key is to get ownership to the people who know the processes, know what they are doing, and have the ability to change them. We've given them training in quite basic problem-solving skills, and we've let them really try and facilitate their solving of their problems.

## **Rob James**

The golden rules are involving as many people as possible and empowering those people to make changes based on what they find from the problem-solving process.

## **Donna Buckley, LEAN Champion**

This is just one of the things that we made. To solve one of the problems that we had on the line. What was happening was, the label line would stop because the labels would run out, but the dock would still carry on going. This would fill up, and cause the lipsticks to fall on the floor, which then, in turn, would become rejects. So by putting this simple adjustment onto the line, it solves the problem one hundred per cent. And also before the sensor was put in, the packs were jamming up against the Perspex, which in turn would stop the table from turning around and a hundred and eighty moulds on the table would become rejects. By putting this alteration on the line, when a pack gets stuck there, it sets off an alarm, so I have only have to lift it away and the line would still go on without damage to stop the table.

I took time out to myself first, and thought of things, of how I could improve on this, and being involved with the improvement team and being a LEAN champion, that was a good start and that's when I kicked into plan my brainstorming, involved the people on the line, so they give their input and their ideas.

## **Kevin Wykes**

Try to clarify what the problem is, and then the basic ideas, some brainstorming, get some ideas in place, and then choose which are the ones that will give us some quick wins, where we've got to spend money, and get the people to do that.

### Ayshea Dawe, Business Improvements Co-ordinator

Then you actually multi-vote which you think is the most priority, and then you analyse them, and put them into each group, where they belong and then we go to the fishbone.

### **Donna Buckley**

We then plot so many reasons on the fishbone and then you come to the critical ones.

### Ayshea Dawe

Then you have the five whys, which you ask yourself, 'why?' five times, to reach the root cause of the problem.

#### **Donna Buckley**

The main ones we were told, that were picked out, was the sensor and the catching tray and I did a short presentation to the management team and they were very pleased with what I delivered and they asked me to go ahead and plan making these parts. It costs £90 for the sensor and £100 for the catching tray to be made. I saved approximately £205 000 a year.

#### **Nick Rich**

Our initial activities were based purely on volunteers who were motivated, to root out problems. But also to create showcases within the factory. Because I think in any factory 10% of people, are evangelical about a new change, 60% want to be convinced and the remainder, the 30%, are either quite cynical or they will only come along when the rest of the business has started to turn. So we had the 10% all out there doing improvement techniques, and showing their co-workers that you could work in a different way, and it wouldn't jeopardise what you do for a living.

### **Kevin Wykes**

It can be a little bit scary, I think, certainly for the people who are supervisors on the floor who want to be a little bit more disciplined. It can be a little bit scary for them. For this whole process is a new culture.

#### **Donna Buckley**

Once people on the line know how you are with them, it seems more relaxed, I think. But before I came to COSi, I didn't have any confidence at all. So being involved in the LEAN champions has given me a lot of confidence.

#### **Rob James**

Given the opportunity, people always seem to take you by surprise when it comes to how innovative they are going to be. Improvements generated within the business have certainly taken our breath away.

#### **Donna Buckley**

I couldn't stop myself then. I was getting stuck in and getting involved in anything I could get involved in and somebody here had obviously seen something in me and offered me an apprenticeship, engineering apprenticeship, which I've just completed a year past, with merit all through my subjects.

### **Nick Rich**

Our duty here is we will 'up skill' people and give them the skills they need to solve the problems they've got now, or to make the improvements they need now. We will equip them with a toolbox that will keep them going. The logic of the business is to continuously reinvest in the people. As a subcontractor, the only thing that differentiates us from our competitors is the quality of the people that we've got.