



IMIG China News 2010

Your partner for profitable growth by innovation



International Management & Innovation Consultancy (Shanghai) Co., Ltd.,
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<http://www.imig-china.com>



HAMITO to GO Final Development Phase

- **HAMITO to GO Final Development Phase**
- **Events: IMIG Speech at MICC 2009 China Lean Summit “Lean Innovation- Create Your Future**
- **Lean in the airplane maintenance: Optimisation of a “Boing 747 D-Check”**
- **KSB Shanghai Pump-world famous pump manufacturing plant**
- **Workshops of “Lean Implementation of Software Development” Project at SAP Labs China**



Picture: HAMITO to GO Simulation, IMIG China office

After several continuous improvements, IMIG China has finished the development phase of our HAMITO to GO business simulation game. Based on the principles of the German IMIG simulation HAMITO, IMIG China has practically completed a light version to easily adapt to our customers worldwide.

In terms of Continuous Improvement, we have already conducted the first trial runs in cooperation with the School of Mechanics and Dynamics of the renowned Shanghai Jiaotong University to further improve HAMITO to GO and offer our customers a modular business simulation starting from February this

year. It simulates the real cause-effect relationship of production and logistics and teaches the interaction of methods and tools of Lean Production and Logistics.

The HAMITO to GO business simulation illustrates production and logistics procedures along the supply chain of an automobile manufacturer from the supplier to the customer. With its holistic approach and modular tool kit of Lean Management, our consultants can train up to 14 participants in various Lean Methods and Tools depending on our customers' demands.



Standard Methods in the Business Simulation

Following methods are used and provided during the workshop:

- Value Stream Mapping and Design
- JIT / JIS - Processes
- KANBAN
- Standardized Work - 5S
- Setting Up - SMED
- 7 Kinds of Waste – 7W
- Visual Management



Targets

On Later roll-out phase: 6 Sigma Methods are provided during the business simulation to...:

- Increase delivery reliability
- Shorten processing times
- Minimize inventory
- Save costs
- Avoid waste
- Production according to requirements (pull system)
- Ensure quality

From Push to Pull

During the business simulation workshop the automobile production performs a development from a planning-based and customer-orientated environment. The participants will recognize the improvement opportunities during the development phases and work out interactive solution approaches: e.g. efficiency increase and waste avoiding.

Business Simulations illustrate the simulated reality and the relation of operational processes. The participants are able to understand complex facts and circumstances.

To use the methods and tools of our service catalogue und recognize the improvements, we created different roles for the user of the HAMITO to GO business simulation.

process chain

- reflection of group-dynamic aspects
- optimal entry in internal changing projects
- optimal support for your production system
- moderation by experienced experts
- reflection of the working- and decision attitude
- holistic approach (everything from one hand: business simulation > application > implementation)

Furthermore the advantages of the business simulation are as below:

- promote system thinking
- identification of improvements along the

IMIG Speech at MICC 2009 China Lean Summit

---- Lean Innovation- Create Your Future

Nov 2009, Shanghai. Made in China Cooperation Group - China Lean Summit was held on Nov. 5-6th, 2009 in Shanghai Longement Regent Hotel. IMIG was invited to attend this Chinese local lean society event, and our CEO, Mr. Martin Uhlemann and VP, Ms. Annie Jin presented a speech on the Lean Innovation topic.



**2009 China Lean Summit:
Longement Regent Shanghai, Nov 5-6th**

This yearly summit attracted around 300 participants around China from different industries. Speakers coming from United State, Japan, Germany and China shared their lean experiences in lean production, logistics and Supply Chain Management, Lean Leadership with the audients. They are: Nakamura Shinichi, ex-Toyota lean experts; Pro. Min Xinguo, Shanghai Jiaotong University; Dr. Marcus Chao, CEO of Lean Enterprise China; Lee Yonkui, ex- Global Revolution Leader of Samsung Electics.



**IMIG China CEO: Mr. Martin Uhlemann
IMIG Deputy GM: Ms. Annie Jin**

Under the “Lean Innovation-create your future” topic, IMIG introduced our services to local enterprisers, and broaden their horizon in Lean Innovation and R&D management. In terms of our mission “Your Partner for profitable growth”, we are looking forward to accompany China clients on their lean journey!





Lean in MRO: Optimization of “Boing 747 D-Check” Approach

In Newsletter 1 / 2009 we continued report regarding the Lean Implementation Program at Ameco Beijing, a joined venture between Air China and the German Lufthansa founded in 1989 with core competency in Aircraft Maintenance, Repairs and overhaul for Air China and Lufthansa fleet as well as 3rd party Customers.

In Phase 4 of the Ameco Lean Program Implementation (further mentioned as AMLP) IMIG supported the company wide Lean Program roll out. Challenging task during this Phase was the D-Check optimization due to the fact that nearly all departments are involved when a Jumbo is stripped down to its structure and getting a Heavy Maintenance visit.

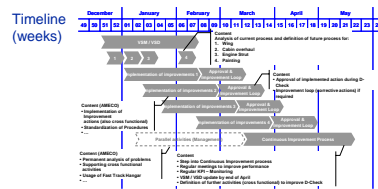
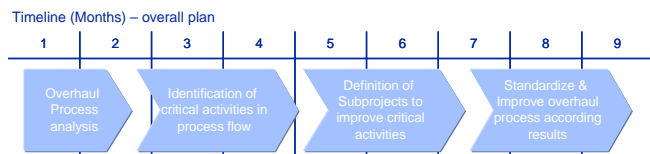
Optimization approach

After Project Target definition to shorten the TAT (Turn around Time) by 30%, Team setting and approval of Timeline the Workshop Team immediately stepped into a detailed Process Mapping of Core processes and selected Sub processes along the overhaul. Mission: eliminate or reduce as much as possible non value adding activities / Tasks in the three D-Check Phases Aircraft removal, Inspection / Modification and Function Test. Based on the Mapping, in Total 11 different Subprojects covering Production, Production Support and general supporting functions were initiated and started in sequence.

One of the major topics was the Material supply and consumption, therefore Material consumption of former D-Checks were analyzed regarding returning material (mechanics took more material than needed) and periodic stock out material which leads to AOG (Aircraft On Ground) ordering to develop and implement a Supermarket Concept at POU (Point of use).

Another major topic was the “Tooling and Equipment preparation” process, because not all the tools needed for D-Check are owned by the company so they must be rented at Boing for a defined period in the overall project schedule. Therefore the Lean Tool “Administrative Value stream” was used based on experience of former overhauls to shorten the preparation time by 65%.

Due to the fact that a lot of individual processes and activities are running in parallel sub optimization in those leads to permanent movement of critical path - therefore Critical path was simulated by MS-Project.



Bottom Line

Performing D-Checks effective requires highly skilled engineers and mechanics, perfect synchronized Core-/ supporting processes as well as experienced Project managers to manage People, Material and Equipment at the right point of time at the right place.

Using Value Stream Mapping / Design and a clear understanding of value-/ Non value adding activities also in administrative Processes as a key Tool's helps to create transparency in complex Projects. Never the less discipline and perseverance as major characteristics are necessary to develop and implement sustainable improvements in this ultimate form of Project management.





KSB Shanghai Pump Co. Ltd KSB Waste Water Pump

Supply Chain Management Improvement Program achieved great success!

KSB Shanghai Pump Company Limited specializes in the manufacturing of engineered pumps. It is the joint venture between KSB with 80% shares and SEC with 20% shares. It is a leading group of China in designing, manufacturing and selling power generating equipment, large-sized equipment, centrifugal pumps and valves. Since the joint venture, KSB Shanghai has entered its exponential growth stage. In order to meet the increasing needs of customers in China and abroad with the highest level of quality, reliability and service, KSB asked IMIG China to provide a proposal for implementing Lean Administration, - Manufacturing and - Logistics principles, methods and tools into operation in CC Water & Waste Water.

The SCM Improvement Project for pump production is running since November 2008 and will be finally finished by end of September 2009.

As the result of the project, the delivery lead time was successfully reduced from previous 5-6 months to currently 6-8 weeks. On time delivery rate increase from 35% to 85% or above.

The main changes have been implemented as following:

1. A cross functional team have been set up to handle all the processes related to OMEGA pump. To improve the information flow among the team members they all sit in one room together, some permanent and some part time.

2. Setup Stock Level
Standard parts stock level has been setup to act as supermarket. When orders coming, parts release from the stock. And only when stocks decreased to the reorder point, it triggers previous process to produce this parts. So the lead time for parts manufacture is eliminated.

3. Synchronized Production Plan and Control System
The main idea is to plan and control the assembly by the department of Order Execution (OE). This process will steer all other processes. Every process after assembly is push production, every process before will be pull production. At the time order from customer arrives, assembly will give the order to Manufacturing Operations (MO) to take the parts out of

stock and to finish machine them. If stock is below the defined minimum level there will be a purchase request for new parts in a defined batch size.



Workshop of “Lean Implementation of Software Development” Project at SAP Labs China

In October, IMIG China conducted a Value Stream Mapping and Design workshop as part of “Lean Implementation of Software Development” project at SAP Labs China in Shanghai. Founded in 1997 as SAP Development Center China, SAP Labs China was later officially established on November 20, 2003.

SAP Labs China provides the end-to-end product development, specifically focusing on small and midsize enterprise solutions, Business User solutions, Business Suite solutions and Custom Development. In 2008, joined by Business Object Shanghai Development Center, SAP Labs China has become the third largest SAP R&D center besides German headquarter and one of the fastest growing SAP subsidiaries.

During the Value Stream Mapping / Design workshop, the project members with the support of IMIG China mapped their current process and identified improvement opportunities, with the aim to further streamline software development process by using lean principles, methods and tools. In the near future, we will further support this effort by providing on-the-job “Lean Methods” coaching.



Picture: SAP Labs China Team

In terms of our principle “Your Partner for profitable growth”, we are looking forward to accompanying SAP Labs China on their journey to create a Lean environment for R&D and strengthen its competitiveness in innovation.

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