



Manufacturing Excellence – the modern approach to production

By David Gardiner

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The modern manufacturer is competing in a global marketplace in which there is no clear delineation between domestic and export markets. To be successful in this global environment, the modern manufacturer must exhibit manufacturing excellence.

That is easy to say, but how do we achieve manufacturing excellence. The best way to start is by truly understanding the customer with both subjective and objective measures. This means getting inside the head of the customer and truly identifying what it is that they really want, and then to develop production processes that deliver to the customer exactly what they want, when they want it and how they want it.

The modern approach to quality recognises this customer focus by allowing firms to identify the customer requirements and to design, and subsequently modify, business processes to consistently achieve nothing less than the minimum of customer requirements. Keep the customer happy, supply them with exactly what they want, and when they want it, and they will come back for more.

Inherent in this approach is the requirement to keep costs down. This is not achieved by buying cheap and cutting corners. Rather, it requires a concentration on increased reliability by making processes more repeatable and this helps improve production, yield, and efficiency. Resources are focused on the right products and the right projects.

This leads to the development and execution of a company strategy that delivers a clear picture for future decisions. Using a balanced approach, the modern manufacturer should develop customer intimacy, possess a customer-centric approach to quality, recognise the true value of time as a competitive weapon, and keep a balanced scorecard for performance measurement.

More than likely this would embrace a pragmatic approach based on sustainability and renewable advantage. In other words, the manufacturer develops a capability of responding to competition with agility while being simultaneously competitive and cooperative.

Collaborative supply chains rely on global supply and global sourcing methods that are flexible with innovations in contracting, pricing, and other coordination mechanisms. The uncoordinated and isolated approach that is so common today will not be competitive in the future. We need an integrated approach that is data-intensive and makes full use of internet and ERP technologies.

To achieve this we require a very flexible approach to information technology that uses continuous improvement and recognises market and demand flexibility.

Quality and productivity improvements will be identified and implemented using real business benefits. The result is a simultaneous focus on efficiency and flexibility.

Possibly the most radical change requires firms to start looking at the business from the outside-in rather than from the inside-out. By all means retain an emphasis on cost and cycle time benchmarks but develop processes in a learning environment. This will



see goods and services and contracts being bundled together with dramatic increases in speed, integration, discipline and knowledge.

The learning process will develop in stages and will have an interesting mix of process innovation and control.

The new environment will see global flexibility, strategy-driven charters, the demise of economies of scale, and a localised approach that has modular and flexible layouts.

As for quality, quality is a prerequisite for playing the game. Quality is everyone's job. This demands a pervasive approach that uses formal and systematic processes.

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