

MARCH 25 2010 QLD SITE VISIT

At the LAA and RAAF site visit in QLD Wayne Falwasser, Operations Supervisor, Ceva Logistics, presented a case study of a continuous improvement event using Kaizen/Lean principles within the Caltex tobacco at the Rocklea facility. This facility involves 11,000 Sqm site, encompassing contracts such as: Caltex, BP, Telstra.

The case study reviewed a typical continuous process at CEVA Logistics using the PDCA cycle i.e.:

- Plan: Product Identification and Rationale, Current Situation Assessment, Identifying the Main Problem Breakdown, and Causes Investigation
- Do: Countermeasure Implementation
- Check: Check the Results
- Act: Actions for sustainability and learning points.

During the planning phase for this case study, the project identification and rationale tool used involved regular feedback from Caltex staff in the tobacco area - as an ongoing problem impacting on performance. The reason this problem was selected was the ongoing safety concerns in having to cross driveways to retrieve totes, and the amount of time wasted in the completion of the tobacco pick.

In assessing the current situation the standard or target requirements were staging all tobacco totes for daily pick within 5 minutes. The discrepancy lay in the current observations showing an average of 20 minutes - a gap of 15 minutes. So where was the main problem breakdown?

A Cause Identification process brainstorming the key factors using the following headers: man, machines, method, materials, measurement and time, and mother nature was engaged. The Cause Identification process demonstrated issues such as stacks being too high, regular damage to totes, there being 2 types of totes (blue and white) as well as dirty totes (water and rubbish); and in the area of methodology, no defined area, no work instruction for tote returns, no feed back/tracking when staged incorrectly and totes returned after hours. Overall the Main Problem Breakdown was "A Lack of System for returning totes."

A Cause Investigation which drills down into further analysis of the Cause Identification issues defines issue, methodology, observation as either insignificant or contributory factors and whether the issue had from medium to high impact on the overall problem.

Countermeasure Implementation:

Countermeasures were developed (such as: area close to dock including pallet and; place signage for pallets with clear height requirements;) with each

measure focusing on ease, impact, time, cost and priority. After countermeasures are implemented the results are then checked and measured after a 4 week period - this Kaizen produced a significant improvement based on the previous situation.

PDCA Evaluation and Key Learning Points:

- Kaizen is a team (site) activity
- Keep the focus on what is the main problem
- All staff must be notified of regular updates
- Continuous display of A3 Posters for sharing is vital



[L-R]: LAA Committee member George Hodgson with James, Ben Phillips, and Wayne Falwasser.

The LAA would like to thank Wayne Falwasser and Ben Phillips from CEVA Logistics for hosting the QLD site visit to LAA and RAAF members.