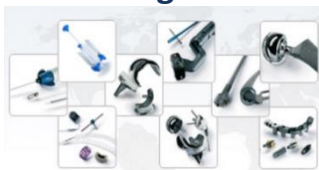


Improving the process to meet customer demand

The Background



As a global leader in the orthopaedics market, Biomet is passionate

about innovation and developing new technology. They specialise in the design and manufacture of implants which replace hips, knees, shoulders, elbows, biomaterials, bone cements and accessories, as well as other orthopaedic surgical instruments. Their goal is to provide designs that will address a wide range of patients' conditions. Additionally, Biomet offers the latest in minimally invasive surgical instruments, allowing patients to benefit from techniques designed to reduce trauma, pain, blood loss, and recovery time.

partnership. Links with clients are maintained long after the initial commencement of the lean journey, via periodic reviews and membership of LT's network of Lean practitioners.

The Assignment

The facility in South Wales deals with "loan" orders for surgical kits that are shipped to hospitals across the United Kingdom. Once the surgical kits have been used in a hospital operating theatre, they are returned to Biomet. The surgical kits are then processed to replenish any items that have been used by the surgeons and are then ready to be "loaned" to another hospital. The time allocated from the surgical kit being shipped to a hospital to its return, is 5 days, but this was proving hard to achieve.

Building the relationship to implement Lean thinking

LT Consulting places high importance on developing strong relationships with our clients at all levels of the organisation. A key enabler to any Lean Transformation Programme, is the drive and commitment of the senior management team. At LT Consulting, we strive to develop an excellent working relationship, with sympathy to their issues and ambitions.

Orders from hospitals were being declined because surgical kits were not always readily available. This was due to system failings and it was estimated that over £600,000 a year was being lost in declined business. In addition, some smaller surgical equipment was not being tracked which caused further delays and additional costs. Even more significantly, surgical kit non-availability would mean that hospitals would have to cancel and/or re-arrange operation dates, resulting in a huge impact on patients.

We feel the empathy between our clients and our consultants creates the right learning environment, where we can deliver maximum effect and develop a long term



The aims and objectives of the project are to:

- ❖ Shorten the 5 day turnaround time for kit;
- ❖ Define appropriate warehouse standards to meet customer demand;
- ❖ Stop lost revenue from business that had to be declined;
- ❖ Improve communication with customers and partners.

SUMMARY

Focus

Process Improvement

Challenge

To shorten the turnaround time and define standards to reduce lost revenue and improve communication with customers and partners.

Process

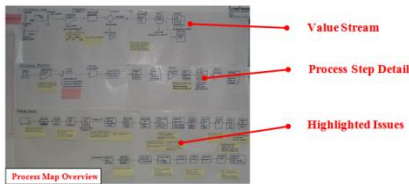
Process Redesign

Benefits

- This work will be the leading pilot activity that will act as the benchmark across the similar European Biomet "loan" operations.

LT's Approach

The impact of initial training with employees resulted in effective foundations for the launch of the Lean Transformation project. This was evident by their understanding of basic lean principles and the employees' high level of commitment for the project. On this basis, we started to implement LT's unique approach to achieving sustainable results, being able to grasp the situation quickly and effectively. Our approach is to involve everyone in the study, all personnel from director level to the customer care operators. At Biomet, an overview of the process was achieved highlighting problem areas and involving everyone in the activity.

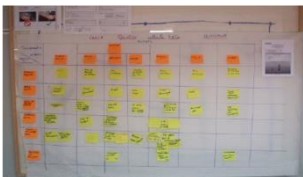


The next step is to determine each individual step of the process along with the paperwork or computer screens completed at each step – this paper trail details all the inputs and outputs at each step



This is done thoroughly to ensure no part of process is overlooked. A significant key to success is paying close attention to detail to fully understand the complexities of the process. Within this mapping process, it is vital to comprehend the interaction between all stakeholders, including the entire hospital team, the medical sales representatives, customer care department, process operators and logistics partners, and to understand the difficulties or frustrations they are experiencing with the current process. Once the process is mapped out, the team can decide which data to collect to quantify the problems and the issues raised.

The methods used to grasp the situation in this particular case study are no different to those used successfully by LT Consulting



other Biomet divisions e.g. in France (see below), but also in numerous diverse sectors and environments.

Key Problem Areas

- Fluctuating logistic schedules affecting deliveries to customers;
- Surgical kits non-availability, resulting in customer dissatisfaction with orders not being able to be fulfilled by biomet;
- Incomplete surgical kits resulting in customer complaints and therefore loss of revenue with the hire charge being waived;
- Tracking certain high cost surgical items at a 'pack level' instead of individual item level so that exact contents of the surgical kits were unclear. This caused communication concerns between all parties (hospitals, customer care staff, warehouse staff etc.);
- Process breakdown resulting in excessive communication to determine the current status, wasting all stakeholders time and raising frustration levels, including hospitals and business partners staff;
- Limited space in stores resulting in surgical kits being stored in overflow;
- Duplication and waste within the surgical kit loan process to hospitals, increasing the chance of error and process cost.

Achievements & Next Steps

- collect live data from the process in order to be able to sift and sort the various issues and hence prioritise the next activities within the project. This will include process KPI's as well as daily issues database;
- spend time with the stakeholders (Hospitals, Biomet Sales Division, Logistics Partners etc.) to fully understand the process and issues from their perspective;
- grasp the situation for the warehouse operation that interfaces with the customer care service, by mapping the process, documenting the exceptions/issues affecting staff working in the warehouse, analysing material and information flow, workload variations, warehouse rules and standards etc.

When this has been accomplished with the full involvement of all members involved in the process, from warehouse operatives to company directors, a multi-discipline team will be assembled to make the plan for the revised/improved process. This plan will then be drawn up, trialled, reviewed and finally implemented.

If you are interested in this case study, other examples of our work or EQLean™ please do contact us.

Technicians in the Biomet Clean Room facilities



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