



Organisational transformation programme that developed the JCB Production System and ensured that JCB remain the world leaders that they are today.

“One of the reasons we still enjoy a working relationship today, after all these years, is that LT Consulting have the ability to come in and do the job rather than standing at the lines telling us what to do – they can be as hands on or as hands off as you need them to be.”

Max Jeffery,
Product Marketing Manager,
JCB.

SUMMARY

Focus

Organisation wide systematic implementation of Lean.

Challenge

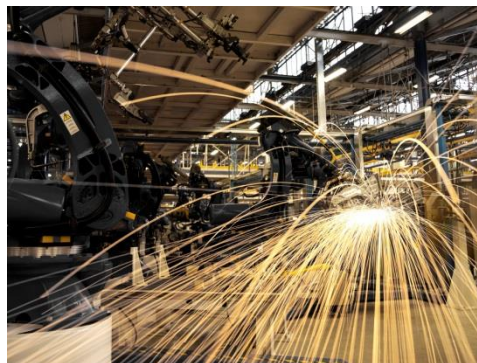
Address quality issues throughout the organisation and make a success out of Lean – previous Lean initiatives had failed.

Benefits

• Output of production lines increased by over 600% and profit loss operations turned into profit making.

The Background

JCB were early adopters of Lean but many of JCB’s early initiatives failed. JCB didn’t have the capabilities in-house to start the Lean journey effectively and activities did not develop well or as intended.



With the JCB organisation failing to introduce Lean the Chairman visited Toyota to see how it should happen. When he came back from Japan he wanted a whole new way of doing things – to achieve this JCB needed external support:

- That had world class level of experience and expertise in Lean
- Whose ethos is one of true value and strong, long term relationships



- Whose results speak for themselves
- That have the ability to quickly build rapport at all levels, from shop floor to senior management

In 1999, JCB employed LT Consulting

The Approach

JCB wanted to address quality issues throughout the organisation and made the decision to focus on each division in turn, developing systems and learning processes that could then transfer throughout the entire, complex organisation.

The team was serious about increasing JCB’s reputation for quality and leading the industry in customer service.



LT Consulting worked alongside the JCB staff and trained and developed them in the ways of Lean, replicating the way that the LT Consultants had themselves had been schooled ‘working for Lean Masters at Toyota’.

The key areas for action were identified. Operations, logistics, engineering, manufacturing, purchasing and sales all faced a major step change in ways of working with the goals of improved quality and efficiency, customer satisfaction, zero defects, reduced costs and accelerated growth.

A *Continuous Improvement Steering Group* was created made up of selected team leaders and Lean champions from within JCB including the then CEO John Patterson.

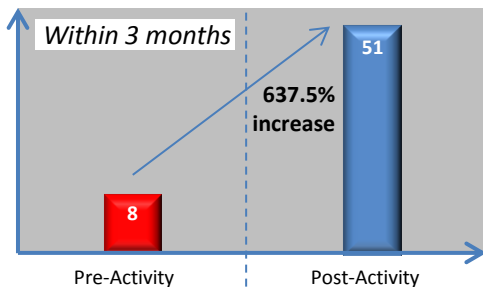
Education and guidance was critical to the activity running freely, at speed and delivering results from the off. Standardisation was vital. Measurement was essential. Everyone had to understand their part of the process and take responsibility for their area of improvement.

The Results

Significant results were achieved on three product types: Loadall, Compact and Backhoe vehicles:

Productivity (Backhoe Production Line)

No. of Units/Day



In addition:

- 32% reduction in quality defects
- Loss making operation of £4.2m turned into a profit of £1.8m

Continuous Improvement & Culture Change

Since JCB have been working with LT Consulting they have developed a whole manufacturing system based on the Lean principles that were established.



LT's approach to Lean has helped develop the 'can do' culture, rather than 'it's not my job'. Teamwork throughout the business units has improved. Staff enjoy the challenge of Continuous Improvement along with the individual and team development opportunities that it creates.

David Bell, Group HR Director for JCB, reveals his thoughts on progress to date

"Today we don't run Kaizen Events. Lean is embedded in everything we do organisation wide, worldwide."

"We have seen thousands of improvements across the board. Lean has enabled us to write the JCB Production Plan and become the leaders we are today."

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

Max Jeffery

(Product Marketing Manager JCB)

"At a personal level I still use the practical tools LT provided. They are relevant for every department in the organisation from HR and Marketing to Manufacturing."

LT Consulting Ltd.

Unit 5, Hockley Court
2401 Stratford Road,
Hockley Heath,
B94 6NW.

www.lt-consulting.com

Email:
office@lt-consulting.com

Tel: 01564 784081