Newcastle LeanCor Lite Warehouse Assessment

LeanCor SUPPLY CHAIN GROUP

Gemba Walk Checklist		Location/Customer:			Newcastle		
		Date/Time:		COMMENTS:	Focus Area		
		LEAN COMPONENT	Score Key: 0 = Process not in place; 1 = Process in place, improvement needed; 2 = Process in place and working well	REFLECTION	SUGGESTIONS	Receiving	Picking	Shipping
Beginner	Safety	Documented Safety Guidelines		1) Very strong emphasis on safety, lots of documentation, visuals in place 2) Had an actual incident while on-site, and staff was very attentive to employee needs 3) All employees have to go through basic warehouse training	1) Confirm safety hazard Job analysis has been completed (PPE?)			
		Documented Safety Training						
		Posted Safety Awareness Visuals & Measures						
		Observed Safe working practices						
	Strategy	Employees understand the objectives of the business		1) Strategy for 3PL is not typically aligned with customer (Revenue Growth vs. Cost Reduction) 2) Whs has strong culture of "patient not package" mentality 3) Communication of inventory strategy changes is not strong	1) Make sure contracts encourage continuous improvement & cost reduction, in addition to service expectations 2) Improve communication of inventory strategies & allow for feedback			
		Employees can connect their work to corporate objectives						
		Strategies are well defined and explained						
	5S	Sort - Every item has a purpose & location is free of clutter		1) Workplace is very clean, but several locations have boxes and workplace tools that are no longer utilized or necessary 2) Parts have locations, bins are labeled, but support equipment is not stored or set in standardized places 3) Searching for support equipment and paperwork is occurring 4) Efforts and expectations are consistent on keeping the locations clean of dirt, dust, or debris, but there is still alot of clutter from unused materials/equipment/paperwork 5) Inventory storage and staging is sporadic, very little to no organization, creates congestion	1) Implement 5S to reduce clutter 2) Develop process for quick disposal of unnecessary tools/material 3) Locate and identify staging locations to aid in flow of material & reduce congestion			
		Set - There is a place for everything and unused items are in their place						
		Shine - Area is clean and clear of dust, debris, or garbage						
		Standardize - Time is allocated for cleaning & locations appear similar to other locations						
		Sustain - Regular audits are performed and results are displayed						
Intermediate	Processes	Documented Standard Work Instructions / Standard Operating Procedures		1) Work instructions are vague, and require "Job Aids", yet Whs quality restricts the use of Job Aids, so not all processes have necessary standard work documents 2) All formal Job Aids must be certified by quality, this drives employees to create their own help documents that are not formalized, controlled, or approved 3) Non-formal work instructions are ad-hoc, and random 4) Current non-compliance to standard work in RMA & Shipping 5) Work instructions are reviewed every 2 years or at change of "DOP" 6) Bulk & Intl have most overtime, can only work on so many orders at once 7) Some barcodes not scanned (workaround present), not scanning material out of inventory until it's being shipped (PGI) 8) There is no standard in place for when to put boxes in totes for Pick Tunnel locations	1) Develop formal process for employees to challenge (improve) current work instructions 2) Improve vendor compliance on bar-coding to prevent workarounds 3) Improve QA approval process to allow for Job Aids to be formally reviewed and approved quickly			
		Documented Training Matrix						
		Standard work processes are in place (have been updated/audited recently)						
		Standard work is being followed by all						
		Leaders have standard work and are out on the floor helping team members						
	Visual Mgt	Customer expectations are visible to those who need to see		1) Little to no visibility of what work is coming in, poor carrier management practices 2) Work is moved through the facility driven by the system, no clear visuals as to heavy vs. light days or when we're ahead/behind schedule 3) Outbound activities are forecasted at about 2 weeks out (not always accurate) 4) Totes falling off of conveyor 5) Employees using informal hand signals to speed up or slow down others 6) Totes getting jammed up in corners 7) No clear visual process for tote returns	1) Managed transportation with disciplined dock schedules and measured ETA's (to the minute or hour) 2) Develop visually managed process for tote returns 3) Create and install SAAG boards & Andon lights (where usable) 4) Identify & clearly display the takt at each stage of the operations 5) Visually show where workers are located, and their PT vs. TT			
		Visual management drives activity on the floor						
		The current plan is visible for all to see						
		The status of actual performance is visible for all to see						
Advanced	Flow and Pull Replenishment	The location minimizes waste of motion and transport		1) Inventory peaks and valleys are driven by bulk-buys and month/quarter-end pushes 2) Flood of inventory comes in sporadically (Root cause is unleveled purchasing) 3) Caged area with specific entrances minimizes ability to fluctuate inventory storage easily 4) Rework in packaging and re-packaging due to inventory transfers 5) Inventory staying systemically in Louisville, while product is in testing elsewhere 6) UnoMedical transfers are challenging and unleveled 7) Mixed orders must be sorted upon receipt (eg. Puerto Rico) 8) Offline pack-out stations are more difficult to move material to/from 9) VNA & cage size make it difficult to maneuver cherry picker 10) Sortation process causes pain in receiving 11) Work is driven by the system, orders in system are often triggered by push (batch buys, or hit the numbers) 12) Second shift is not as fully functional as first shift - yet being used for things they're not trained for (eg. receiving) 13) Orders seem to be batching and hitting all at once - also experiencing unlevel orders 14) Flow racks have boxes hung up & a row too high to replin/pick from easily 15) Bulk storage is random, compared to the flow of product through the facility 16) SAP allows you to ship the wrong product as an overage without stopping you 17) No visibility to inbound schedule	1) Allocate all inventory as Wholesale, then reallocate it to pharmacy cage in replenishment to fast-pick 2) Investigate the use of "ME2O" for allocation during inspection process 3) Vendor score-carding to include measures that drive warehouse productivity (eg product sortation) 4) Perform some static storage planning to locate bulk next to static pick tunnel spots 5) Utilize min/max levels in SAP to trigger replinishment pick lists (Address Intl. FIFO Conflict) 6) Turn on acknowledgement f(x) in SAP that makes you acknowledge you have the wrong product (or use blind count function) 7) Scan UPN to location rather than TO, this resolves the pick problem 8) Utilize standard order quantities for bulk ordering			
		The location has inventory that will be moved downstream in a timely manner						
		Work is assigned in a levelled manner						
		Activity is done at the pull of the next stage in the process						
		Communication flows with the material & handoffs are smooth						
	Continuous Imp. & Quality	Performance Measures communicated, posted, & drive improvement activity		1) Problem solving is more of a fire-fighting mentality, employees work hard to get the job done, but "fight" to get anything done about it 2) A lot of the problems are thought to be systems driven 3) No formal problem solving or problem escalation process exists 4) Problems are identified, logged, and reported, but little is done to find the root cause analysis and solve the problem 5) Weekly project review meeting is driving some action, but most AI's are thought to be IT or customer's work 6) 12 people dedicated to correcting inventory problems	1) Begin a formal problem solving process 2) Begin a specific project on inventory issues (to reduce the 12 person headcount) 3) Encourage Buyer/Planners to work out of Louisville facility for a week to see their impact 4) Lean Fundamentals training for employees & visual kaizen board in each area 5) Line balancing study on work-flow to develop staffing strategy & levelize operations			
		A process exists to identify issues or gaps and track them for improvement and resolution						
		Root Cause analysis in place for issue resolution						
		Efforts are made to instill quality into the process rather than inspecting it out						