

A brief note on proposed **MCCIA LEAN CLUSTER FOR EXCELLENCE**

About MCCIA

Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA) is a premier industry association with over 2500 members from different sectors like Automotive and Auto Ancillaries, Electronics, Agribusiness, Information Technology, Bio-Technology, Environmental Technologies, Chemicals, etc. It is one of the most active Chambers of Commerce in India catering to Pune and around region. It has been catalyst for economic development of Pune and has continuously strived to make Pune a global business destination. MCCIA has a long tradition of providing critical support to the industry for more than seven decades. MCCIA, during its over seven decades of service, has promoted Trade, Industry and business from Pune and has also been instrumental in promotion of various institutions like Bank of Maharashtra, The Pune Stock Exchange, The Container Freight Station as well as in development of three industrial estates..

MCCIA represents on various committees of the Government at local & national level, where issues relating to Trade, Industry and Commerce are taken up. The Chamber has 33 Committees headed by reputed experts in various areas of interest to the industry such as Agriculture, IT, BT, Foreign Trade, Electronics, Finance Sector, Defence Supplies, Polymer, etc. Each of these sub-committees has a specific mission statement and strenuous efforts are being made by these sub-committees to achieve the objectives set for it.

Need for Lean Manufacturing

Over the decades, the very nature, scope and volume of business in Pune has changed. The globalization, on one hand, has unfolded a vast potential for Indian industries, and on the other, has posed several challenges. The recent situation of economic slow-down worldwide has made things difficult for the manufacturing industry at large. The companies are now required to redesign their strategies and need to become more and more competitive in order to survive and grow.

Pune has traditionally been the manufacturing hub. Pune is often referred to as the Detroit of the East due to the concentration of auto and auto ancillary industries.

Several international companies like General Motors, Volkswagen, JCB etc. have set up their manufacturing facilities in and around Pune. Pune's auto industry has traditionally been the ancillaries of the major OEMs. However, it is a common feeling amongst these units that they should no longer be dependent on one or two OEMs. They are realizing that there is tremendous export potential for their products. However, they are not yet ready to take the global challenges. The entrepreneurs need to change his/her mindset and adopt the world class manufacturing techniques to enable cost reduction at various levels of manufacturing. It has been observed that huge resources are being wasted due to over production, under production, breakdowns, lack of preventive maintenance, lack of planning, improper inventory management systems and so on.

National Manufacturing Competitiveness Program has provided a good opportunity for Indian industries to adopt to lean manufacturing techniques. MCCIA has decided to take advantages of the National Program on Lean Manufacturing scheme for the benefit of its members in and around Pune.

Sustained Development Feature

It has been experienced that the units go back to their old practices once the cluster activity is over. In view of this, all possible efforts will be made to involve and take commitment of the top management in all stages of the implementation. Handholding and review visits will be made to ensure that the new practices are followed sincerely. To achieve this, the units will be asked to financially contribute in the first year and the subsidy or financial assistance received from the government will be reimbursed in phases subject to continuance of best practices in subsequent two years. Fees to the consultants will also be made in phases and certain portion of the fees would be retained and would be released in the subsequent two years to ensure that follow up visits are made by the consultant.

Cluster Objectives

- To effectively utilize the workforce, machinery and equipments, plant layout, available floor space etc.
- To improve flow of processes, material, information and finance etc.
- To reduce downtime, overtime and rescheduling
- To Eliminate Wastages and Minimize Problems
- To do more with optimum inventory, time, finance and resources
- To introduce approach of "Vision-Mission-Strategy-Goals-Objectives"
- To design and implement effective MIS

- To achieve sustained manufacturing excellence
- To introduce world class manufacturing practices
- To prepare the cluster members to face the global challenges

Methodology

- Team of 10 members preferably from the same industry
- Commitment and Involvement of Top Management at all stages
- Handholding, Monitoring and Review by Lean Expert in the entire process
- Interactive sessions to create awareness and employee involvement
- Classroom trainings and shop floor trainings
- Group meetings and presentations to share experiences
- Factory Visits within the Group Members
- Bi-monthly review meetings
- Award for the best implementer
- More emphasis on Lean Implementation rather than competition amongst cluster members
- Follow up visits by the Lean Expert in subsequent years to ensure sustained development
- Extension of period, if so required, to facilitate implementation of techniques
- Need based suitable changes from case to case basis

General Steps Involved

1. Study of

- a. Current plant performance
- b. Management Interests
- c. Customer Base
- d. Organization by SWOT Analysis

2. Organizational Settings

- a. Structures
- b. Displays
- c. Data Collection Methods
- d. Score Boards

3. Execution of Five S

- a. Formation of zones, teams and structure
- b. Five S implementation
- c. Five S Assessment

4. Model Machine Activities

- a. Identification of Critical Machine
- b. Define Team
- c. Model machine implementation
- d. Review and documentation
- e. Horizontal deployment in entire organization

5. Standard Operating Procedures

- a. Diagnosis Processes
- b. Visual and Textual SOPs
- c. Maintenance and Cleaning Plan

6. Problem Solving through Kaizen and Poka Yoke

- a. Diagnosis of critical factors
- b. Product
- c. Process
- d. Inventory

(These are general steps involved in the process. However, suitable changes would be made based on the cluster requirements)

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