

Value Added Services Executive Summary



Lean production and competitive processes and procedures are indispensable for a company if it is going to successfully survive in the modern global market.

The lean production concept establishes an important basis for optimizing operating processes and bringing about steady improvement in efficiency and quality. However, small and medium-sized businesses often have difficulty applying lean thinking in practice. What is crucial is to have reliable partners that are able to provide their expertise and experience.

Please read the summary of the white paper by Sarah Isabelle Claus including an interview of Professor Hartmut Reinhard on the other side of this page. Sarah Isabelle Claus, Value Added Services Coordinator at Eaton, has written a white paper offering an important contribution for anyone aiming to make the processes and procedures in their company efficient and competitive. The white paper focuses first and foremost on the concept of lean production and describes in detail the ideas, goals and practical capabilities of the lean approach. In the interview, Professor Reinhard shares his experiences as an expert in the logistics field and critically examines the lean production concept.



The paper explains how lean production focuses on the reduction of eight (main) types of waste. The waste types include rejects, movement-related waste, false processes or technologies and wasted employee creativity. The human factor is deemed decisive in lean philosophy for the long-term success of lean concepts. The paper presents various lean practices that companies can implement to reduce all types of waste.

In the interview, Professor Reinhard explains that individual companies are no longer engaged solely in competition with one another but how competition has extended along the whole value chain. He also notes the majority of companies are still focusing their efforts on improving value-adding activities and often ignoring the non-value-adding ones. High optimization potential is often found in non-value-generating activities. Professor Reinhard recommends ongoing analysis of activities and the

company's core expertise. He also recommends the areas that could be delegated to specialists that are familiar with this type of work. Obviously, this requires specialist expertise. However, individual performance needs to be improved as far as possible in today's aggressive market environment, so activities that are not part of the main services are given little scope for optimization.

In the final section, the white paper examines lean production techniques in practice and illustrates how companies can extend their already existing lean production expertise to their customers, enhancing the entire value chain and improving their competitiveness. Every part of the value chain ultimately benefits.

In order to learn practices you can use to optimize your production and increase your efficiency, download the white paper here: www.eaton.com/en/VAS