

Example of essay on enterprise transformation

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In order to transform from batch and queue operation to lean enterprise, Integrated Supply Chain must strive to do more with the little it has. In that endeavor, we, as an organization, must use the least amount of effort, equipment, energy, materials, facility space, time and capital; and at the same time give our customers exactly what they need. To achieve this, we have a five-step plan of action. We intend to specify our value, which can only be defined by our ultimate customer and not the experts, the engineers nor the pre-existing organizations who would only add complexities of no interest to our customer. We also plan to identify a value stream that defines all the actions necessary to bring the product to our customers. Our value creating steps must flow. This would help us eliminate the departments that execute single task processes on the large batches. We must ensure that our customers pull the products from us. Finally, we must pursue perfection at all levels. This would enable us improve our labor productivity, cut throughput time, reduce the inventory, eliminate errors, and minimize injuries.

Our plan is to ensure that the manufacturing process, at all costs, minimizes or completely eliminates transportation wastes (i. e. unnecessary transport of parts under production), inventory wastes (i. e. stacks of parts awaiting completion or finished products awaiting shipping), motion wastes (i. e. unnecessary movements of employees working on the products), waiting (i. e. unnecessary waiting by workers to begin the next step and the subsequent steps), over-processing (i. e. unnecessary steps in processing), over-production (i. e. production of unnecessary products), and defects. This we plan to achieve through the adoption of improved technology in our production process.

We plan to highly automate the manufacturing process so that little labor is employed. Use of computer Aided Design and Computer Aided Manufacturing is most likely to minimize the human errors. We plan to intensify the use of robots in the movement and assembly process. This would speed up the production process and enable us to run on a 24-hour basis. Even though the initial cost of this arrangement is immense, we expect our output to greatly increase. This would enable us enjoy great economies of scale as our production cost would dramatically reduce. We would also be able to adjust our prices so that we can be competitively advantaged.

It is a common knowledge that flow principles normally reduce both the effort and time. In our endeavor to apply the technique of flow, we intend to implement a three-step action plan that would synchronize our production rate to the sales rate. Our first step would be to maintain focus on the product. Secondly, we intend to ignore job boundaries as we encourage different departments to remove impediments to the continuous flow of the product. Finally, we want to rethink our work practices so that we can eliminate backflow and ensure continuity.

We must at all times define our value, which must ensure that the customer is fully satisfied. This calls for the identification of the design actions, the order, and the production. Three categories arise: those that add value; those that do not add any value but are necessary; and those that add no value and are not necessary. We must always eliminate the third category as

we address the second category through the techniques of flow, pull and perfection.

For perfect flow, all our workers and machines must be capable at all times. This we must achieve through cross training. We intend to embrace a culture of lean production on all our staff through regular trainings. At the same time, our technical staff must be up to date as far as technology is concerned. Our machines must also not be left behind in technology. We plan to install the current and most advanced machinery, which, with proper maintenance, would limit the chances of breakdowns. We must also ensure that all our workers are well informed of the production status at all times. We intend to achieve this through visual control. It is important to note that all activities can flow. All we need to do is concentrate on the value stream for the product, eliminate all the organizational barriers, and use the right-size machinery and tools. Our pull techniques must ensure that there should be no manufacture of any product until the customers ask for it. Once the product is needed, we should make it very quickly. The perfection begins with policy. Every staff must know what we intend to achieve based on the priority.

The intention herein is transformation to lean enterprise. We must therefore synchronize our supply and distribution. With only two distribution centers, the availability of the product would be limited. We therefore plan to open other outlets across the country. A market research would enable us know the different parts of the world where our products may be needed. This would make us think globally and open up more outlets across different

countries. At the same time, we must ensure that no gap exists between supply and distribution.

Reference

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Wright, et al. (1990). Strategic Profiles, Market Share, and Business Performance. *Industrial Management*, May 1, pp23-28.