

Darker side of lean essay



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Chosen Article: The Dark side of lean, Daniel Mehri Chosen Industry:

Automobile Section 1: Discussion of Advice/Theory Daniel Mehri worked as an engineer in a Toyota related company for three years. Mehri found his experience and observation of the day to day operation of the Toyota business to contrast starkly with how it had been portrayed by numerous publications. Up to that point almost all case studies published on the Toyota way celebrated the success of the Toyota Production System (TPS) and its approach to Lean Manufacturing.

Very little criticism of the TPS existed and it was rapidly been eralded as the answer to rapidly improving tired manufacturing industries in western countries. Mehri's main arguments was that life in Toyota was not as positive as reported and that TPS contained many significant flaws. At the heart of Mehri's findings was the concept that Toyota operated on two different levels. One level was an ideal which was communicated as a reality and which was not exposed due to the Japanese culture of "Tatemae", the practice of presenting an ideal appearance.

The second level was "Honne" where the reality of what one truly felt and experienced ut rarely felt appropriate to share. As a consequence of these cultural issues, Toyota communicated and strived to maintain an ideal public image of their business. This included highlighting health and safety policies which were not actually operated and even ensuring victims of work place accidents continued to appear for work even if unfit to, so they would not be included in health and safety results.

In addition to misrepresenting facts, the author also criticises Toyota for endangering its employees' health and safety due to a production line which operated at a speed which was higher than humans could manage safely.

Mehri also questions the belief that Toyota employees worked in a culture of widespread sharing of information and ground breaking innovation and development. Section 2: Application of Advice/Theory I have chosen the automobile industry as my preferred industry due to my strong passion for this industry, the scale of the manufacturing process and the large volume of research performed and available across this industry.

A number of automobile manufacturers have adopted the Toyota way and installed lean manufacturing methods. Examples include, Ford, Chrysler, General Motors and Porsche. In general many Western companies have applied the process of lean manufacturing but often in a somewhat diluted guise. This may be as much a cultural difference as definite attempt to alter the TPS as western cultures do not have the traditions of tatemae and honne and are far more likely to be open about their faults and failings.

Porsche in particular have used lean manufacturing and in addition to their design plan of having common components across a limited range has proved extremely successful. In fact over the last decade Porsche developed from a company with a questionable future to the most profitable car company per unit much larger Volkswagen group. – It should be noted that this takeover was structured using high risk derivatives which caused massive financial problems for Porsche and Volkswagen when the credit crisis occurred but does not detract from the operational and financial success achieved in the previous ten years.

Section 3: Development of Advice/Theory In Mehri's article on the Darker side of lean, there is a distinct lack of balance. This is most likely a reaction to the over complimentary nature of most previous articles on the subject. A more balanced investigation of the benefits and failings of TPS and Toyota would be beneficial. In particular the introduction of alternative practices and the subsequent results from competing automobile manufacturers would be helpful. The examples should be extracted from Japanese and Western cultures and be taken from both manufacturers that did follow TPS and from those who did not follow TPS.

Looking at Japanese manufacturers who did not follow the TPS would allow the reader to form some context on Mehri's claims of increased health and safety risks of TPS as presumably competing Japanese manufacturers who do not follow TPS would still be motivated by *Tatemae* and *Honne* and thus be motivated to provide an equally positive outer face. Therefore if TPS did lead to increased health and safety failings then Toyota should have a proportionately higher rate of health and safety breaches than other Japanese manufacturers who do not adopt TPS but are still motivated by Japanese cultures of *Tatemae* and *Honne*.

Section 4: Development of Industry Practice I believe that if companies can maintain the efficiencies of lean manufacturing but operate in a manner which is more open to both generation of ideas and innovation and also respect the need for transparency on health and safety then a more positive application of lean manufacturing would be achieved. The lack of balance from the article by Mehri makes it difficult to assess whether all his findings are accurate and further investigation into the experience of other

companies would be beneficial in providing useful benchmarks for the entire industry to measure their performance against.