



Beyond the lean tool basics: Creating and sustaining a global lean culture

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Global Director, Enterprise Lean Six Sigma Littelfuse, Inc.



Expertise Applied Answers Delivered







Protect | Control | Sense — A Global Approach

- Founded in 1927
- Introduced many innovative, industry-first technologies
- Today
 - 10,000+ employees worldwide
 - \$1.1 Billion in 2016 net sales
 - Publicly held: LFUS (NASDAQ)
 - More than 40 locations worldwide:
 - Americas
 - Europe
 - Asia

Lean starts here... 2011 in earnest...

Protect

- Today's sophisticated electronics require greater protection from ESD, power surges and other occurrences
- Handle more power in smaller products
- Innovative circuit protection solutions

Control

- Safely and efficiently control power in even the harshest environments
- Limit equipment damage and minimize electrical hazards



Improve productivity and reduce costs

Sense

- Sensing technologies are increasingly used to support complex electronic systems
- Broad platform of technologies help improve product performance, comfort, convenience and safety

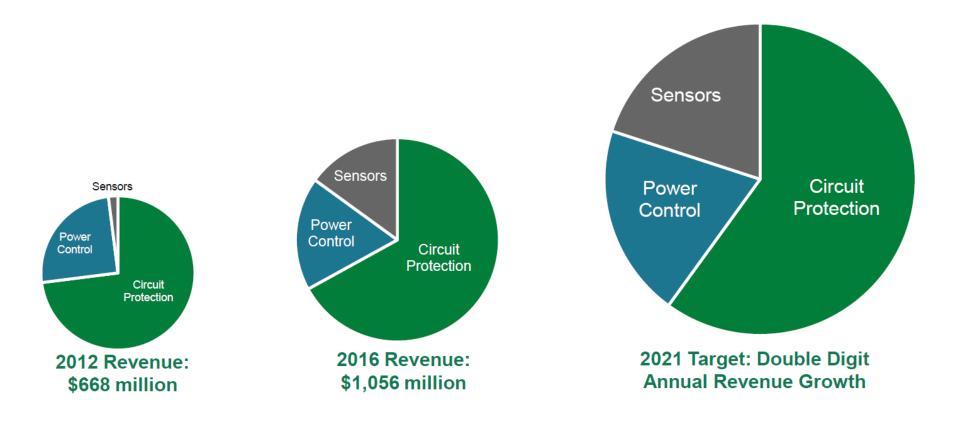








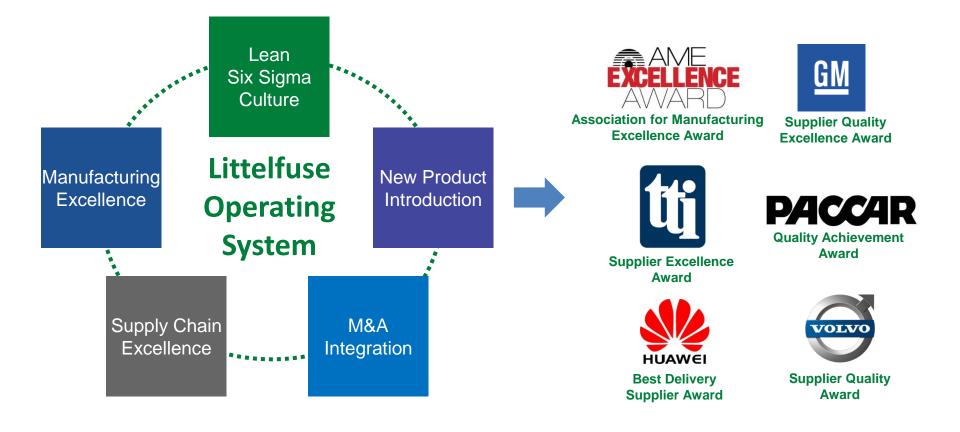
Strategy and Enterprise Lean Six Sigma







Operational Excellence: A Foundational Element of Our Success; Recognized Externally

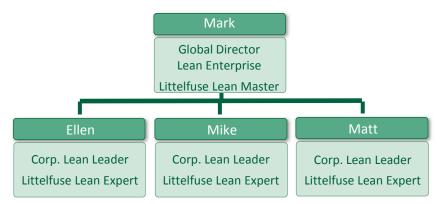








Lean Enterprise 2011 (start)



- 4 corporate associates dedicated to lean enterprise
- 35 additional semi-dedicated associates globally





Littelfuse Lean Enterprise – Doing Lean



- Value Stream Maps
- A3
- 6S
- LSGA
- Pull
- Flow
- VOC
- SIPOC
- Standard Work
- More...









Littelfuse Lean Enterprise – Doing Lean

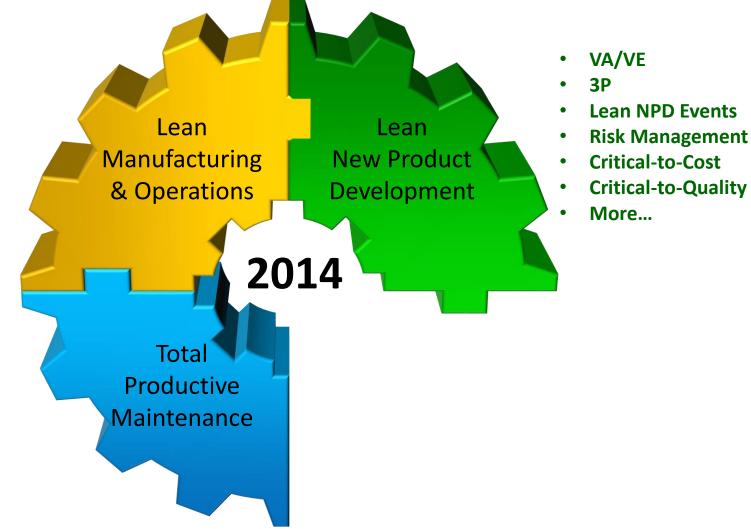


- OEE
- Autonomous
 Maintenance
- Preventive Maintenance
- Predictive Maintenance
- SMED
- More...





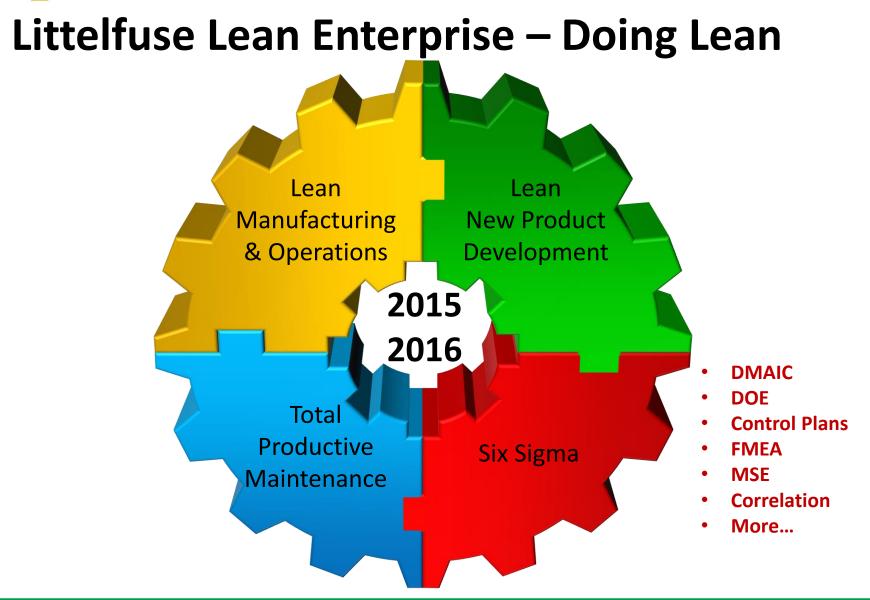
Littelfuse Lean Enterprise – Doing Lean













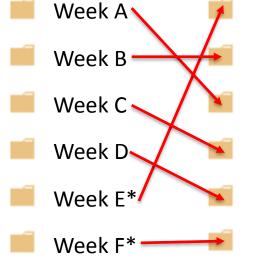




Today's Phases of Training

At Start (2011)

Now



Phase 1: A3, Gemba Guide, Hoshin Kanri, LSW, Tiered Meetings

Phase 2: 6S, LSGA, TPM, SMED, OEE, Std Work, Poka Yoke, VOC

Phase 3: Coaching, Kaizen, Quality at the Source, SIPOC, TQM, VSM

Phase 4: 3P, Little's Law, Supply Chain, TWI

Phase 5: Heijunka, Muri, Project Management, Pull, Kanban, VA/VE

Phase 6: Lean NPD

Six Sigma

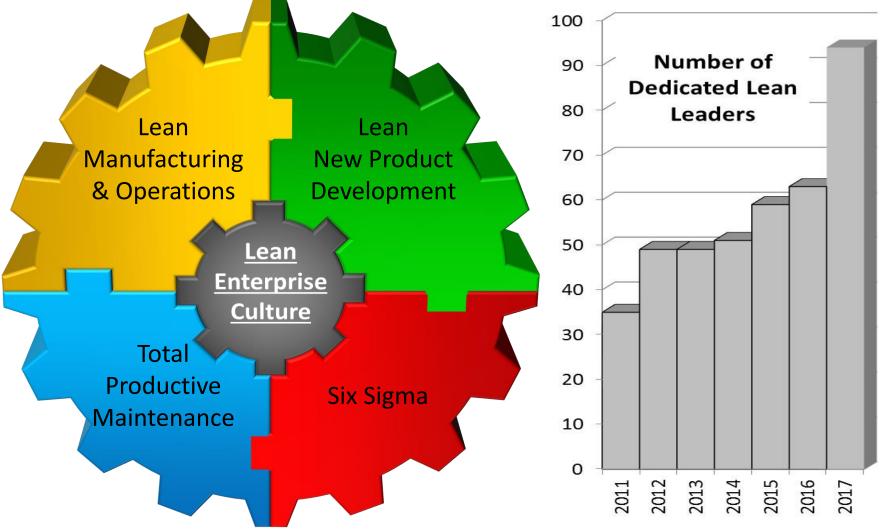
*Week E started in 2014, Week F started in 2013







Littelfuse Lean Enterprise – Being Lean

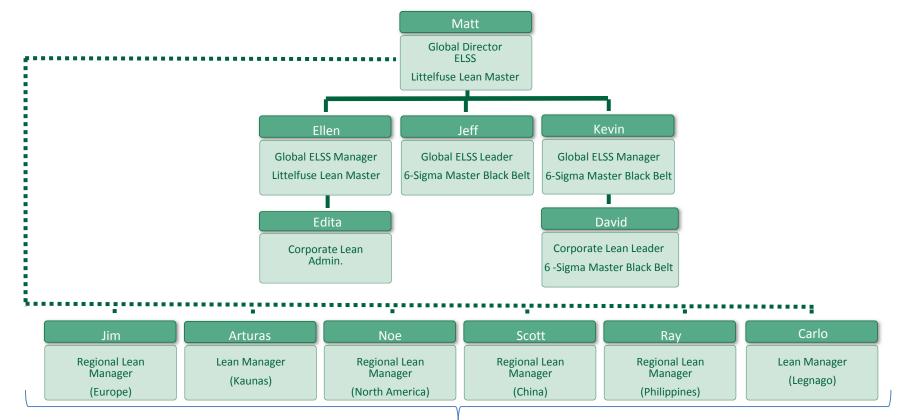








Enterprise Lean Six Sigma Today



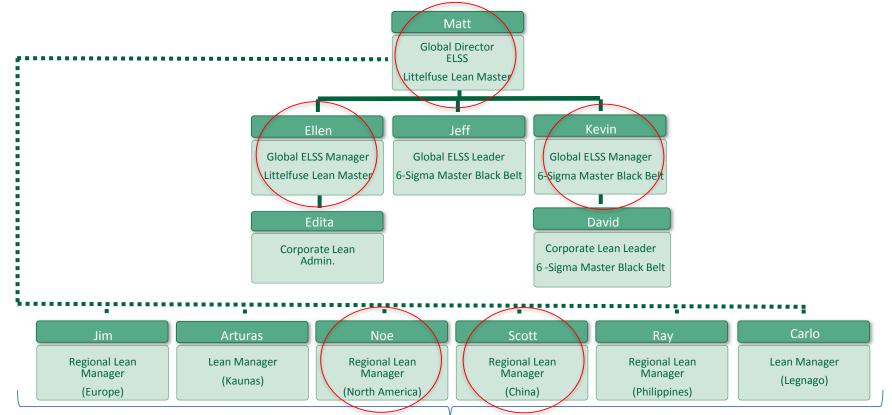
6 Corporate, 6 Regional and 82 ELSS Implementers & Leaders







Enterprise Lean Six Sigma Today



6 Corporate, 6 Regional and 82 ELSS Implementers & Leaders







Lean

- Current
- Dongguan & Suzhou Receive 2017 AME Manufacturing Excellence Awards
 - Certified Lean Contributors 832
 - Certified Lean Experts 54
 - Model Lines 12 of 17
 - PFEF 14 of 17 sites participating
 - TPM 12 of 17 _
 - Lean Manager (Europe) Hired









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Next

- PFEF 14 of 17 sites participating
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- Lean Manager (Europe) Hired
- ELSS Guide Revision 6
- Upgrades to Phase 1 6 Lean Training
- Finalize Corporate Hoshin Cadence
- Customer Interaction Training for Engineers







Six Sigma

- Yellow Belt Trained: 1619
- Green Belt Trained: 168

Current

- Certifications in Process (77 have passed exam)
- Black Belt Training 1 Done in China
- Master Black Belt Projects in Process (\$4.2 Million in Cost Impact)







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- Design for Six Sigma
- Limited Upgrade from Minitab to JMP
 Continue to Develop Decised Site
 - Continue to Develop Regional Six Sigma Expertise









Lean Midyear Assessments

Current



Key LFOS Program Manager Role and Lean Leader Position Filled







Current

Next



- Key LFOS Program Manager Role and Lean Leader Position Filled
- Upgrade Global Metric System (GMS) for Ops
- LFOS Visual Management
- Addition of End-of-Year Lean 4.0
 Functional Assessments in
 Addition to Factory Assessments







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ELSS Guidebook Revision 6

- Upgrades to Phase 1 6 Lean Training
- Next **Finalize Corporate Hoshin Cadence**
 - **Customer Interaction Training for** Engineers

Six Sigma

- Yellow Belt Trained: 1619 Lean Midyear Assessments Green Belt Trained: 168 Certifications in Process (77 have passed exam) Black Belt Training 1 Done in China
- Master Black Belt Projects in Process (\$4.2 Million in Cost Impact)
- **Design for Six Sigma**
- Limited Upgrade from Minitab to JMP
- Continue to Develop **Regional Six Sigma Expertise**

LFOS



- Key LFOS Program Manager Role and Lean Leader Position Filled
- Upgrade Global Metric System (GMS) for Ops
- **LFOS Visual Management**
- Addition of End-of-Year Lean 4.0 Functional Assessments in Addition to Factory Assessments







Littelfuse Operating System

OPERATIONAL EXCELLENCE: EVERYONE, EVERY DAY, EVERYWHERE

STRATEGIC OBJECTIVES	PRINCIPAL OPERA	TIONAL CAPABILITIES	RESULTS
 Customer Satisfaction Flawless Product Introduction Acquisition Integration Order to Cash Acceleration Sustainable Pipeline of Best Talent 	 Talent Management 5-Phase Product Development Quality Management System Centers of Excellence Corporate Social Responsibility 	 Enterprise Lean Six Sigma Category Managemen Integration Playbook Information Technolog Sales & Operations Planning 	■ Cash Conversion Cycle
<u>CORPORATE VALUES</u> Customer Focus, Results Driven, Teamwork, Integrity, Innovation.	OPERATIONS VALUES Data Driven, Engaged, Forward-looking.	<u>QUALITY VISION</u> Zero Defects. Zero Excuses.	CONTINUOUS IMPROVEMENT CULTURE Think Lean. Reduce Variation (6σ).



Share • Learn • Grow.





Big-impact examples

Lean VSM Round 1-6, EBU					
Measure	1st Round	6 th round	% Change		
Floor Space (M ²)			-13%		
Capacity (5 days, 2 shifts)			23%		
Margin			600%		
Productivity (units/hour)			71%		
OEE	65%	89%	37%		
Cycle Time (seconds)			-32%		
Number of Operators			-49%		

Six Sigma: Automotive Fuse

- High temperature application 160°C vs. traditional 130°C
- Increase safety margin for all automotive customers
- Prevent risks of terminal relaxation and melted fuses
- Design of Experiment applied to analyze effect of variables to gap and forces

IMPACT: Pleased Customer with the NPD process & develop an additional market opportunity with no competition!





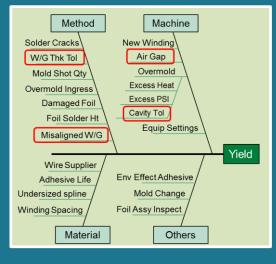


Big-impact examples

Lean VSM Round 1-6, SBU					
Measure	1st Round	6 th round	% Change		
Floor Space (M ²)			-11%		
Capacity (K/day)			26%		
Output (EA) per year			41%		
Productivity (units/hour)			65%		
Cycle Time (hours)			-8%		
Number of Operators			-18%		
OEE (CLIP 3S)	68%	93%	37%		

Six Sigma: Sensor Product

- 30% yield attempting to produce at rate; improved to 95%
- Applied several experiments to find root cause(s)



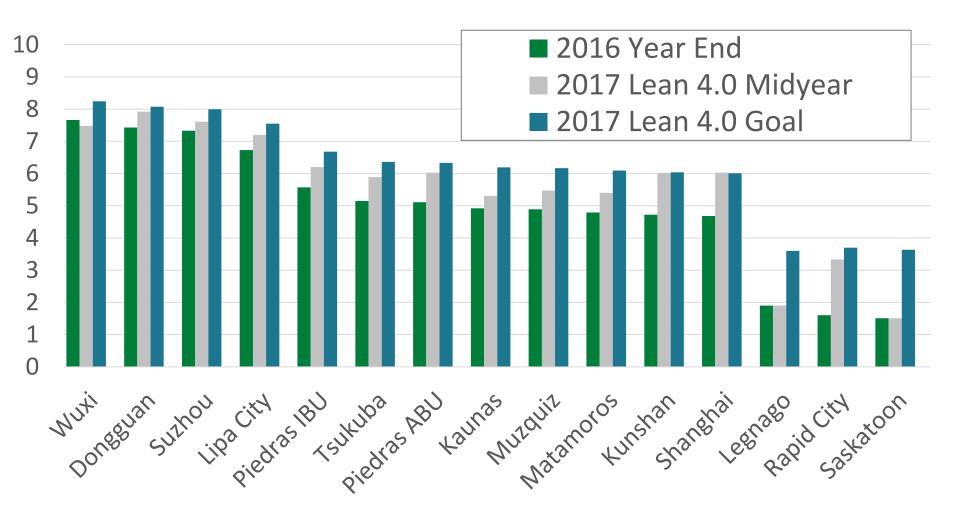
Impact: \$3.7M / year







Lean 4.0 Assessments (TNM)









Successes

- Culture change (doing lean to being lean)
- Steering Committee: CEO, CLHRO, SVP Ops, VP Quality
- AME Awards
 2016: Wuxi, China
 2017: Dongguan, China
 Suzhou, China
- Nearing 900 lean certifications outside the 1%







Lessons Learned

- Get buy-in and develop pull
- Littelfuse "advanced" topics should be done in advance
- Lean is a culture with tools, not a tool set
- Pillage then burn (lean tools then Six Sigma)
- Focus on the willing, others will see the results creating pull







What is Next?

- Driving the existing facilities to assessment scores of 9+
- Starting from scratch with new acquisitions and accelerating their improvement
- Adding Marketing- and Sales-specific tools
- Adding DFSS and Master Blackbelt training and certification





Discussion Leads

3P



Matt

Six Sigma



Global

ELSS

Manager

Swain

Global Director **ELSS**

Kevin Kent

Hoshin Kanri



Ellen

Sieminski

Global

ELSS

Manager

Tiered Meetings



Noe Manriquez North

America

ELSS

Manager

Leader Standard Work



Scott **Webber**

China **ELSS** Manager







Thank You!

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Session No: ThS/53 Beyond the lean tool basics: Creating and sustaining a global lean culture Matt Swain Littelfuse, Inc. mswain@littelfuse.com

