

LEAN TIMES PROVE REWARDING AT TOWNSEND GROUP

Ai Group NSW Director Mark Goodsell attended metalwork design and fabrication company the Townsend Group's Mortdale manufacturing facilities in December to present 21 employees with their certificates III and IV in Competitive Manufacturing.

Nineteen months previously, Townsend's management had identified a need to improve efficiency and waste reduction, and recognised that progress could only be achieved with the involvement of all employees. Following discussions with Ai Group, Townsend commenced the implementation of Competitive Manufacturing training (also known as lean manufacturing) in April 2009 with the assistance of Applied Training Solutions Pty Ltd, and with the support of Australian Government funding.

"The program has been a huge success, with outcomes far exceeding expectations," said Townsend Group Managing Director, Russ Hill. "Not only has efficiency improved and waste reduced, but the commitment, accountability and morale of our employees have soared. Employee input into problem solving and process improvement, with management understanding and support, has been a key driver of the successes gained."

Mr Hill nominated rework and rectification, lost time, safety, and quality of output as the areas in which the most outstanding results had been obtained. "All of this will contribute to the aim of our facility attaining world's-best-practice status," he said.



For more information concerning programs in Competitive Manufacturing, contact Lee Gross, Ai Group/MAS National, on (02) 9466 5458.

DORIC GETS A HANDLE ON TRAINING OUTCOMES



Doric Products, Australia's largest privately owned manufacturer of hardware for windows and doors, opened its own doors in Wetherill Park in March to showcase an innovative program designed to maintain and extend the benefits of lean manufacturing training completed by its staff.

All 16 of the company's trainees, who had graduated in December 2009, were involved in delivering presentations detailing six projects undertaken in small teams over the previous six months – a great achievement in itself, as the majority of participants did not count English as their first language.

In fact, testing of literacy and numeracy skills at the outset of the 18-month Certificate III and IV Competitive Manufacturing training program had suggested the group would respond very poorly to formal training. But on referral by Ai Group to Applied Training Solutions Pty Ltd, all 16 employees successfully graduated.

"We were doggedly determined to get everyone over the line," said Doric Operations Manager, Chubba Hunfalvay. "Training was seen as a way to improve communication between

management, production, warehousing and distribution employees to effect substantial change in business processes and culture. The management team became mentors, providing leadership and technical expertise, and this collaborative approach was a key element in our success."

However, the program showcased by Doric in March recognised that the success of training ultimately lies in how its benefits are maintained in the months and years following course completion.

"We wanted to ensure that we embedded the benefits of the training program after December 2009," said Hunfalvay. "Staff were required to apply what they'd learned about lean manufacturing and the '5S' analytical process tools – sort, set in order, shine, standardise and sustain – in identifying opportunities for improvement within their own work environment."

In ongoing cycles of three to six months, depending on project complexity, the operations management team vet and approve projects proposed by graduates to ensure compliance with operations objectives. The course

material is then applied in assessing the resulting presentations in terms of benefits to the business.

One project, for example, involved a simple change to the management of a spare parts inventory that was estimated to have generated thousands of dollars in annual savings by 'retiring' parts no longer in demand and minimising waste.

"This is a unique program in my experience, in terms of its direct effectiveness in consolidating training outcomes," said Ai Group NSW Director, Mark Goodsell, who attended the presentations.

With 10 projects completed in the program's first nine months, Doric is targeting a further 15 during 2011.

"Our people are now empowered to effect change and play an important role in Doric's performance as a business," said Hunfalvay.

For more information about Doric's Competitive Manufacturing maintenance program, including future open days, contact Lee Gross, Ai Group/MAS National, on (02) 9466 5458 or lee.gross@aigroup.asn.au.

ICN CELEBRATES 25 YEARS IN SA



(L-R) Derek Lark, Executive Director ICN Limited; Stephen Myatt, SA Director Ai Group; and Tom Koutsantonis, SA Minister for Industry and Trade, attend the ICN's 25th anniversary celebrations.

The Industry Capability Network (ICN) South Australia recently celebrated its 25th anniversary at an event attended by South Australian Minister for Industry and Trade, Tom Koutsantonis, and Ai Group State Director, Stephen Myatt.

The ICN has always been strongly supported by Ai Group, with our State Directors in NSW, Victoria and Queensland playing a role on ICN Boards either as Chairs or Directors. Its aim is to promote Australian and New Zealand industry through import replacement and opportunities for participation in major projects. It performs a technical role, introducing project proponents and managers to potential local suppliers of goods and services.

The ICN in South Australia has just passed the milestone of \$1 billion worth of contracts gained for local companies, equating to some 18,800 jobs being created or maintained in the state.

Speaking at the event, Mr Koutsantonis said that \$80 billion worth of significant projects are either underway or in the pipeline in South Australia and there has never been a greater need for the ICN to be successful in incorporating local industry participation into these projects.

In outlining the challenge for the ICN over the next 25 years, Mr Myatt said that the task was "not just to incorporate companies into supply chain opportunities, but also to assist local companies in building globally competitive capability niches to take to the world".

For further details about the ICN: www.icn.org.au