Topic Dossier

Operational Excellence
Only the best is good enough

A publication of Lünendonk GmbH
in cooperation with CAMELOT
Management Consultants
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Editorial

Dear Ladies and Gentlemen,

Following the topic dossiers “Restructuring” and “Mergers & Acquisitions/Post Merger Integration“ we have the pleasure to present to you the third title in this series. This latest edition also deals with a highly topical subject: “Operational Excellence” (OPEX). Within just a short period of time Lünendonk® Topic Dossiers have made an impact as useful sources of inspiration when corporate decisions are made. This is exactly what we are aiming at with our publications. They are intended to draw attention to developments and solutions which enable industry, trade, service providers and organisations to effectively strengthen their earning power and their competitive position. Our latest dossier is particularly directed at top management of companies in all sectors, because Operational Excellence needs to be part of their agenda. Operational Excellence has a decisive competitive relevance which goes much further than manufacturing. As the Best Practice strategy for all business processes it also lends itself to, for instance, financial services companies. Even opening a personal or business bank account could be a process with potential for improvement in terms of Operational Excellence.

Due to the complexity of the subjects it is inevitable that our dossier highlights them in brief. In this respect they are mainly intended to provide ideas and, at best, rudimental advice.

Customer demands, globalisation and competition repeatedly pose big new challenges to companies. Often the support of experts is needed in order to recognise them in time and to be able to solve them. We were also assisted by experts when we worked through the challenging subject of Operational Excellence. Our special thanks goes to them. With their pointers and content they significantly contributed to the fact that this Lünendonk® Topic Dossier again deals with its subject, not academically, but on a very practical level. In an almost “ruinous” price competition, Operational Excellence increasingly develops into a competitive factor which is not at all merely about reducing costs, but about holistic improvements of business processes. Remember: only the best is good enough for your company, too.

On this note we hope that our third Topic Dossier will be a source of useful insights for you. Thank you for your interest.

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Preface

In situations of distress companies usually try to enhance their profitability by drastically reducing costs. But some of them lack strategic foresight and success is thus short-lived, because a lean company is not necessarily a healthy one. There are many practical examples to show that.

A basic requirement for economic success is the continuous improvement of efficiency and effectiveness – as a reactive and pre-emptive measure. This not only applies to manufacturing companies, but also to banks, insurance companies, the telecommunications sector and to health facilities, with their exploding costs and with capacities which are overloaded in many places. The manager of a leading telecommunications provider recently announced that operations in his company would be optimised in such a way that “we can provide tailor-made solutions to our clients even faster and on a level of excellence”. The reason for this step is that, at times, demand had been considerably higher than the provider’s supply capacities.

This is exactly where Operational Excellence comes in as an integrated Best Practice approach for the optimisation of company strategy, organisational structure and business processes. It includes the entire value chain and enables companies to be highly profitable and have a competitive edge in vigorously changing markets.

Practical experience has shown the enormous benefits of consistently implementing Operational Excellence. In many cases it has been possible, for example, to reduce operating costs by up to 30 percent; to raise staff productivity by up to ten and the profit margin by up to seven percent; to minimise cycle times by up to 50 percent and to decrease customer complaints by up to 40 percent.
QUICK AMORTISATION
These figures speak for themselves. Projects which aim at reaching Operational Excellence usually amortise themselves after only six to twelve months. Nevertheless, they require long-term thinking because sustainable success of continuous improvements can rarely be seen immediately. They also require the firm commitment of top management to change; an enthusiastic team; investments; time and patience. It is important to point this out because it happens in many companies that short-term optimisation processes, especially those induced by financiers, start to lose their importance after the initial enthusiasm, and therefore remain ineffective.

The role of middle management also changes. The manager of the future is a trainer, coach and motivator with specialist, methodical and social competence. Problems are analysed within teams. Solutions are worked out together. Operational Excellence is the constant thriving for business processes without losses and wasting – as such reaching much further than production. All measures are strictly taken in accordance with clients’ requirements regarding quality, availability, service and price. In short: the crux of the matter is to make something good even better every day. A company which is unable to do this does not exist. But it is obvious that this requires a corporate culture characterised by the motivation of constant renewal. Perhaps it was this very culture of efficiency which brought companies in Japan and other Asian countries such tremendous success on the world market in the 80s and 90s.

GERMANY: HIGH-WAGE COUNTRY
In order to safeguard the economic power of high-wage countries like Germany, it is extremely important to improve efficiency and effectiveness through Operational Excellence. Since we cannot compete with low-wage regions without substantially cutting down on our standard of living, it is essential for the prosperity of our society that competitive processes without losses and waste are created with innovative and intelligent methods in this country.

Operational Excellence is a very complex challenge which requires time and specialist know-how. It is the very reason why many small- and medium-sized businesses – but also large companies and corporate groups – avail themselves of the knowledge and experience of specialists. Among the tried and tested partners in this area are the consulting companies BearingPoint, Camelot Management Consultants, Cirquent, J&M Management Consulting and Kienbaum Consultants International.

We are very glad that these noted providers have supported the realisation of our Topic Dossier with their knowledge. What is more, their practical examples allow us an impressive insight into the implementation of successful Operational Excellence projects.

In an increasingly tight global environment of competitiveness, companies which distinguish themselves from others through quality, customer focus, speed, flexibility and the ability to learn and change are those most likely to be successful. We trust, dear reader, that with this Topic Dossier we can assist you to achieve that.

Yours sincerely

Thomas Lünendonk
Proprietor Lünendonk GmbH
From supplier to demand market

“You can have your car in any colour you like as long as that colour is black.” In retrospect, these famous words of Henry Ford may sound arrogant, but the truth is that they represent a consistent and very successful business strategy developed at the beginning of the previous century: Ford’s aim was to keep prices down and make his cars affordable to many, while making his profits through large numbers of units. As a result of his assembly-line production, Ford was able to reduce the price of the Model T from 825 to 260 US Dollars over the years. The Opel brothers used a similar strategy when they introduced assembly-line production for a small car called Laubfrosch. Its price subsequently dropped from 4,500 to 1,990 German Marks.

Incidentally, in the early phases of industrialisation it was not only the automobile industry which managed to produce large numbers of units at costs which were noticeably lower than those of the manufactures. Already in the late 15th century ships were built in assembly-line style at the Arsenale Novissimo in Venice. The strategic goal of the companies was to gain a competitive edge by differing themselves from the competition through the price of their products. This was done – as in the case of Ford – on the basis of processes which were as sound as possible, automated and based on the division of labour. In the 1970s and 80s, Asia’s emerging industries conquered the world market with this strategy.

With increasing saturation of demand it was soon no longer enough to try and generate a competitive edge through prices alone. Suppliers realised more and more how important it was – and still is – to identify individual customer preferences and to satisfy them as quickly as possible, while at the same time, of course, continuing to step up efficiency through process optimisation. The dilemma was that by focussing on cost reduction, many companies had lost track of other market requirements beside the price. Only gradually did they start to realise that business processes should be arranged in a way which is flexible enough to react efficiently and effectively to fast-changing market requirements.

The supplier market increasingly turned into a demand market. Economies of scale were no longer the only deciding factor for strategy, but also economies of focus. They see companies as part of value networks in which the various partners of the network achieve efficiency by concentrating on core competence, core products and core technologies. By focussing on these economies, companies were able (and still are) to practice customer and market orientation, as well as individualisation and efficiency in the operational processes.

During the 1990s, Japanese companies took on a much noted pioneering role in this development. Their story of success was largely based on the fact that after their price offensive, they quickly succeeded in implementing a high level of productivity together with a wide variety of products while maintaining a high standard of quality. Elsewhere, more and more companies tried to figure out the secret which made producers from the Far East so successful. Spurred on by the triumphant Asians, producers in other industrial locations finally started to introduce process and management tools which had been tried and tested in Japan, e.g. teamwork, Just-in-Time, Total Quality Management, Lean Management or Six Sigma – but their successes were at first only moderate.
Of course the reason for this was not the quality of the tools, but rather the fact that crucial skills and qualities were needed for the successful use of the tools, such as management commitment, a corporate culture, competences, an aptitude for learning and the willingness to embrace change. When changes were made, top management often failed to lead by example, to patiently insist on adherence and to involve all the relevant organisational units. Practical experience has also shown that optimisation of production and processes in many cases require the simultaneous use of several methods and tools.

**COMPANY STRATEGY FORMS THE BASIS**

As was the case with Ford at the start of the previous century, a company’s strategy forms the basis of Operational Excellence. How does a supplier differ from his competitor? What makes him unique? What type of added value does he offer to his clients? In this context, specialists speak of the dominant vector, meaning those core competences which ensure sustainable value-creation in a company. Dominant vectors can also be internal aspects like transferring responsibility within teams or shortening business processes. The fine art of achieving Operational Excellence is the ability to implement the answers to the questions about the characteristics of a pre-eminent position and basic value propositions in practical life.

In the global market the successful development of companies will depend on, in particular, how well they are able to react to fast-changing market demands and being able to use them to their advantage. In doing so, it is essential to gain a sustainable competitive edge through the combination of continuous improvement of quality, customer orientation, speed, flexibility as well as the ability to learn and change. This is the very goal of Operational Excellence: developing abilities for change in line with the market in order to arrange business processes of companies that are in line with strategy, economical, focussed on the customer, and thereby effective and efficient. Or, phrased differently: Operational Excellence is the continuous optimisation of the entire value chain. This means that in addition to the quality and price factors, considerations also focus on aspects like innovation, logistics, point of sales and after sales services.

This way companies create an important foundation which enables them to cope with recessions and other challenges. At the same time, they also ensure that financiers have confidence in them in difficult times.

**INVolvEMENT OF STAFF**

Competitors usually loose no time in copying successful structures, processes and products. Operational Excellence therefore not only focuses on process optimisations which can be implemented and measured in the short- and medium-term, but also, in particular, on soft skills like the long-term positioning as market leader, customer and staff satisfaction or the number of suggestions for improvement. It is also clear that a company will not be able to achieve a long-term competitive edge if employees are not involved in the ongoing process of development and improvement.

In fact, companies have for many years been availing themselves of various tools to optimise their value chain. However, they usually focussed on individual measures, e.g. measures to improve internal organisation or operations, quality, sales or efficiency. Operational Excellence, on the other hand, does not look at measures in an isolated way, but rather follows an integrated approach, and for corporate implementation uses only such tools, which have shown the best results in various divisions according to latest findings.
From 5A to Makigami

Operational Excellence makes use of an extensive toolbox in order to achieve the improvements which are envisaged in a company. Best Practice methodologies and tools range from the 5A analysis to Makigami.

5A
Action/campaign to improve self-organisation.
5A stands for five (German) A’s as in:
• Throw out (remove unnecessary things)
• Tidy up work stations
• Arrange work equipment ergonomically
• Arrangements become standard
• Adhere to all points and improve them constantly

5M
Method for avoiding mistakes. Man, machine, material, method and measured quantity are taken into consideration.

5S
Corresponds to the 5A method, but is based on the Japanese terms. The 5S stand for:
• Seiri (sorting)
• Seiton (tidiness)
• Seiso (cleanliness)
• Seiketsu (personal sense of order)
• Shitsuke (discipline)

5W METHOD
Problem analysis through the method of questions. By asking for the reasons for a given state of affairs five times you will get to the cause of the problem and can start to work on a solution.

6 LEVEL MODEL
Functionality model for improving office efficiency in six stages:
• Level 1: Create a good basis for better office efficiency by improving self-organisation
• Level 2: Standardise
• Level 3: Process mapping
• Level 4: Optimise within the team
• Level 5: Work flexibly
• Level 6: Best in class

6 LEVEL METHOD
Method and procedure for the Continuous Improvement Process (CIP) in production:
Level 1: Go to Gembba (place of action)
Level 2: Observe Gembutsu (the real things), understand the prevailing situation
Level 3: Initiate immediate steps
Level 4: Problem analysis, look for causes, e.g. by applying the 5W method
Level 5: Eliminate problems, initiate counteraction
Level 6: Control, monitor effectiveness

KAIZEN
Change (KAI) for the better (ZEN), continuous improvement

SET-UP TIME OPTIMISATION
Reducing the time span between the last part of the production order in progress and the first part of the next production order

VALUE STREAM DESIGN / ANALYSIS
The value stream includes all activities and processes (whether they add value or not) which are necessary for clearly mapping a product or service from the time the order is received until delivery. A value stream analysis retraces the processes along the value stream. This method serves to improve the process by identifying flaws/waste. The main focus is on reducing cycle times and stock.
PM ANALYSIS
Method within TPM to analyse the course of physical events when machines break down

TOTAL PRODUCTIVE MAINTENANCE (TPM)
A structured approach to increase availability of production facilities on the basis of preventive maintenance and appropriate servicing of machines, while also involving staff. Appropriate training of employees working with the machines has proved successful in practice. Visualisation is also helpful, e.g. with one-point lessons; colour-coding of maintenance points and the appropriate materials; improved accessibility of maintenance points; staff schedules etc.

TOTAL PRODUCTIVE MANAGEMENT
Comprehensive management system to increase availability of facilities, minimise losses, integrate staff and avoid duplication of work. As a result of increasing automation and complexity, TPM is becoming more and more important.

TOTAL QUALITY MANAGEMENT (TQM)
Integrated quality management

JUST-IN-TIME (JIT)
A principle for controlling the flow of materials and information along the entire process chain. The correct part is made available in the right quality (zero flaws) at the correct time (exactly when needed) in the correct quantity (one part) at the correct place (where it is needed). JIT supports the Pull Principle. Warehouse stock is to be avoided. This necessitates flexible production with small lot sizes and a KANBAN system in place.

KANBAN SYSTEM
The literal translation for KANBAN is card. KANBAN is a method for controlling the flow of materials. As soon as a product reaches its minimum stock level, fresh supplies are ordered by means of a card/voucher or electronically. KANBAN is also used to organise production according to the Pull Principle.

POKA YOKE
Technical precautions and facilities to avoid mistakes. Example: locating pins to keep tools in a designated place.

PULL PRINCIPLE
Principle of pulling production flows: production only starts when the customer signals demand. The goal is to avoid waste through overstocking.

LEAN TRANSFORMATION
Lean Transformation aims at creating value without waste. All work processes are coordinated in the best possible way and anything unnecessary is eliminated along the value chain. Existing systems are scrutinised from two perspectives: from the customer’s perspective — whose requests for availability, individuality, quality and price are to be met as best as possible, and from the perspective of the company which has to be profitable and competitive.

SIX SIGMA
Six Sigma is a statistical goal for quality and at the same time a quality management method. The core element consists of describing, measuring, analysing, improving and monitoring business processes with statistical means. Goals are geared to the company’s fiscally important parameters and customer demands.
LEAN SIGMA
Lean Sigma is a comprehensive approach for business optimisation which combines the ideas, methods and tools of Lean Transformation and Six Sigma. Lean Transformation concentrates on speed while the focus of Six Sigma is on quality. By combining the two, better quality can be reached faster.

MAKIGAMI
The Makigami diagram of a process may be used to illustrate and analyse company processes of any kind. It is particularly suitable for the office environment where processes generally tend to be less transparent. Each of the “seven deadly losses” can (and will) be identified with the help of Makigami.

Illustration 1: In principle, programmes of Operational Excellence are not new, but they are not a matter of ‘old wine in new skins’ either: the origins go back to the 19th century. The general economic framework within which tried and tested tools are applied obviously changes much faster today than in earlier times. Kaizen, Six Sigma, Lean Operation or Change Management have served different goals and results for many years. (Source: Camelot Management Consultants AG and Lünendonk GmbH, 2010)
If these and other proven tools are applied in a purposeful manner, Operational Excellence offers an integrated solution for the optimisation of company strategy, organisational structure and business processes. The focus is on efficient operating cycles, effective management control mechanisms and the development of market leadership. With Operational Excellence, the daily business and organisation of a company are arranged in such a manner that the requirements of the company strategy can be fulfilled in the best possible way. This results in three central tasks:

- Building a capable leadership (leadership behaviour)
- Improving operational performance
- Structured depiction of business processes (management control).

Due to the subject’s complexity, many companies rely on external support when they implement Operational Excellence. Another reason is that top decision-makers know from experience how difficult it is to identify hidden potentials in their own company and to initiate improvements with the correct means and the necessary consistency. Specialists, who look in from the outside, compare Best Practices and who have international experience with methods, techniques and tools for optimising business processes, quickly recognise improvement potentials and possibilities for implementing them. This is certainly one of the reasons why investments into supported projects within the area of Operational Excellence usually amortise within one year.

**OPERATIONAL EXCELLENCE**

Operational Excellence is a dynamic and continuous ability allowing to have the competitive edge and to be highly profitable in a quickly changing corporate environment.
It is the whole picture that counts

Excellence programmes are not a total novelty for companies. Kaizen, Six Sigma, Lean Operation or Change Management have been applied for various goals and results for years. But the general economic framework, within which tried and tested tools are used, changes much faster today than in earlier times. This is as true for the globalisation of markets as for customer demand – which changes ever faster – reduced product and service cycles, or increasing competition.

The questions “Am I still doing the right thing?” and “Where can I still make improvements?” have taken on an existential dimension for companies. They are forced to ask these questions afresh every day in order to be successful in the long-term and live up to their responsibility as entrepreneurs and to society.

The wish for an all-encompassing “silver bullet” is more than understandable, not least because many companies have been unable to turn their offensives for quality into revenue improvements.

Inadequate synchronisation of instruments and corporate culture is a weak point in any approach for total quality management. Practical experience has shown repeatedly that a commitment to continuous improvement is not guaranteed by essential processes for quality and company success alone.

This is totally different in the case of Operational Excellence with its integrated approach. Operational Excellence defines the way and the equipment along...
the entire value chain in order to implement a company’s strategy in all areas. Having said this, Operational Excellence aims at a working culture which continuously monitors and improves all processes and systems in a company. Thus it is a higher-ranking system which, on the basis of the latest developments and findings, avails itself of the best tools to avoid losses and waste in all divisions of a company. Erroneous trends are identified and eliminated on the spot.

Operational Excellence sets a continuous process of improvement in motion, which requires the commitment, knowledge and skills of all involved – from the board to top management and staff. It also points to ways and means of achieving the highest level of satisfaction among customers, employees and other stakeholders, while at the same time running the business in a socially and ecologically acceptable manner – sustainably, that is.

The initiation and implementation of all activities of Operational Excellence are based on a systematic and progressive course of action, but this does not mean, nevertheless, that they are projects with a beginning and an end. Rather, it is the start of developments which are continuously pursued in the day-to-day business.

Since Operational Excellence is a management philosophy which achieves strategic goals and creates sustainable values through continuous improvements throughout the company, it has to be initiated and carried through from the top. The tools, methods and knowledge exist for making Operational Excellence a daily reality and a long-term characteristic of differentiation. Furthermore, it is known which tools are best suited to achieve strategic targets set for specific divisions of a company. A decisive factor for the success of Operational Excellence is above all the determination of top management, because the impulse for Operational Excellence has to come from there. The top management supports the necessary steps and it is also aware of the fact that processes for improvement tend to show their positive effect on the company’s success only in the medium to long term; quick wins are usually the exception.

Commitment to the optimisation of structures, processes and products is the supporting pillar of Operational Excellence. This not only refers to production but to all business divisions. For example, Operational Excellence also uncovers losses and waste in organisational units such as purchasing, logistics, accounting and human resources, and in doing so avails itself of tried and tested tools like Makigami or value stream design.

Ambitious targets such as cycle times, response time to customer complaints or customer satisfaction contribute to a corporate culture which distinguishes itself through permanent commitment to change, striving for quality in all areas and transparency throughout the company. Such transparency can usually be achieved through the optimisation of formal structures and the utilisation of informal ones. As a result, the interface between organisational structures and process organisation functions smoothly; particularly, the flow of information across the divisions, which is essential for effective improvements, is secured as well.

Prerequisites for the successful implementation of Operational Excellence are:

• Top management’s readiness for change
• Patience for the implementation of the changes
• Introduction of structured planning processes
• Personal responsibility of staff
• Cross-functional teamwork
• Standardisation and
• Visualisation
Illustration 3: Programmes for Operational Excellence are started under different conditions as restructuring or turn-around programmes. (Source: Kienbaum Management Consultants)
Six building blocks form the foundation


Companies which successfully operate in the market usually have seven distinct talents: they can describe clearly what makes them unique in comparison to their competitors and they usually do not need many words for that. This refers to their work processes as well as their services. They provide their customers with something unmistakable. They are aware of which structural changes they have to implement in order to be better than others and how they can outperform the competition’s operational arrangements. In their quest for a competitive edge they always find the right balance between improving structures and operational arrangements. They choose the correct way for implementing changes. And they know that a competitive edge is best achieved by combining quality improvement, customer focus, speed and the ability to learn and change. Based on their strategy they use technological, organisational and cultural factors to put efficient and effective work processes into practice along the entire value chain.

With that, they are on the right path to Operational Excellence, which can be achieved through six essential factors of influence:

- Strategy
- Organisational structure & workflow management
Performance management
• Competences and skills
• Culture and leadership
• Systems and IT

STRATEGY
US President John F. Kennedy once asked a caretaker at the National Aeronautics and Space Administration, NASA, what his task was, who promptly answered: “I help astronauts to get into space.” Not every company can describe its task as clearly as the NASA caretaker. But in an increasingly competitive global market it is decisive for ensuring success to distinctly define a company’s position. What does it stand for? What does it do better than others? What added value does it offer to its customers? Top managers have to know their company’s DNA, because only then can they know where they are headed to and how they reach their goal. This also applies to the successful implementation of Operational Excellence, which is a management philosophy, however it does not replace company strategy. Rather, it helps to align all work processes and structures with the company’s strategy.

ORGANISATIONAL STRUCTURE AND WORKFLOW MANAGEMENT
Day-to-day business often has the effect that not enough attention is paid to the proper organisation of the company. In order to gain a competitive edge through improved structures, a company has to organise and apply its skills in such a way that they correspond to the dominant vector. Processes of value creation are decisive for the profitability of companies, and they are therefore important levers for the implementation of company strategy. They have a direct influence on how well a company is able to maintain value. Exact definitions of processes and specifications of interfaces are needed in order to combine the functions of process parts into organisational units in such a manner that organisational structure and workflow management run as smoothly as possible. They help to react to mistakes in time. Simple methods of organisation result in sound processes which produce high-quality services. Successful companies stand out because of the balance between structure and operational processing. They continuously adjust their business models to market demands while strictly monitoring all the parameters of their productive efficiency in a permanent quest to achieve more with less. Just as important as the implementation of an organisational structure and workflow management which complement one another is the creation of an informal organisation. This is often neglected in practice, but for management it is indispensable as a way of controlling measures which have been introduced. Informal organisation prevents that improvements across divisions might be blocked by egoisms.

PERFORMANCE MANAGEMENT
In addition to defining business processes correctly, they also have to be actively controlled in order to achieve the strategic targets of the company. Fast and effective corrective action is possible through theoretical-actual-comparisons, where the focus is not only on financial targets, such as cash flow and cost efficiency, but also on aspects such as quality, speed, flexibility, customer satisfaction and market position. The theoretical and the actual situation is adjusted with tried and tested controlling instruments, like activity-based costing, process performance management or target costing.

COMPETENCES AND SKILLS
Operational Excellence requires bright employees. Not only do they have to be possessed by continuous commitment to change, they also have to be in control of the tools which are necessary to actually achieve the envisaged improvements. They include, among others, sound proficiency in the areas of innovation, project, cost and knowledge, as well as customer management. Imparting these skills is one of the core tasks of the human resources departments, which develop and implement specific training programmes for this purpose. Practical experience shows that such programmes are best led by external tutors who support the company’s processes that have a
multiplication effect. In this way, employees who are keen to perform are able to unlock new potentials. To demand and to support is vital on the path to Operational Excellence.

CULTURE AND LEADERSHIP
Operational Excellence is a management philosophy which aims at improving the company’s value creation every single day through continuous changes throughout the company and across all sections. This requires a corporate culture which is characterised by a permanent commitment to change, the pursuit of quality in all areas, and by transparency throughout the company. It does not automatically exist in all companies from the start. In this culture the focus is on the human being, and it is supported by a management, which leads commitment to change by example. Top management speaks with one voice. Differences of opinion are discussed but not taken outside. Employees have a say, a share in the responsibility and they take part in decisions. They keep up-to-date with tailor-made courses of further training and their superiors give them support and feedback on a daily basis. Motivation, creativity, personal responsibility and the willingness to perform are strengthened this way. Remuneration systems based on performance complement the culture of efficiency. Successes are recorded by means of defined index numbers, which provide every single employee with a clear perspective. He/she is also able to directly influence them. This happens especially in the six target areas of productivity – quality, costs, delivery service, security, environment and motivation.

SYSTEMS AND IT
Active improvement of business processes substantially depends on qualified IT support. Integration of existing IT systems is just as important as the creation of special IT systems for managing operations such as Enterprise Resource Planning (ERP) or Manufacturing Resource Planning (MRP II). Electronic solutions like Electronic Data Interchange and the creation of management information systems may be additional items on the agenda for arranging systems and IT.
Four steps to success

- Planning & setting the goal
  - Determine the goal of the programme
  - Determine the position within the company
  - Choose methods & tools

- Preparing and creating the basis
  - Build programme structures
  - Create a basis with regard to the actual position on the path to Operational Excellence
  - Secure acceptance, e.g. with Change Readiness, Mindset

- Pilot phase
  - Successfully implement pilot projects
  - Start Active Change Management
  - Involve stakeholders
  - Communication

- Rollout and further development
  - Plan rollout in accordance with the programme’s defined goal
  - Secure self-reliance through a solid programme structure
  - Adapt methods and tools (if necessary)

Illustration 5: Model of stages for Operational Excellence programmes
(Source: Kienbaum Management Consultants)

“All that we do is to monitor the time line from the moment in which we receive the client’s order up to the point where we receive his payment for the goods delivered. Then we shorten the time line by eliminating activities which do not create value.”

This is a quote by Taiichi Ohno who invented the much noted Toyota production system.

With these words, however, Taiichi Ohno does justice to the Operational Excellence approach only in part, because Operational Excellence is not at all limited to the question of how to speed up work processes. Operational Excellence also entails that further questions, which are crucial for the success of companies, are answered: How do we differ from the competition? What do we do better than the competition? What do we have to do to gain the competitive edge? Where do we get the necessary skills? Do our activities really support our strategy? Is our project portfolio suited to achieve our target? Are our actions effective? Answering these questions is all the more important because the dynamics of market changes require quick reactions. Practical experience shows, however, that many companies are not managed with the necessary focus and consistency for coping with prevailing challenges.
Operational efficiency has much to do with simplification, standardisation and avoiding the unnecessary. But it also largely depends on the efficient arrangement of daily work processes: significant and measurable improvements regarding cash flow and cost cutting can be achieved this way, while at the same time flexibility and speed at the market place, quality, reliability and value creation for the customer are stepped up.

Most top managers are familiar with the basics of Kaizen, Six Sigma, Lean Management and other optimisation methods. Few of them, however, give much thought to the structures which are needed to achieve Operational Excellence, even though these are the very structures which are important differentiation factors, because they strengthen the competitive position and at the same time generate cost and cash flow advantages. Still, when the focus is on the day-to-day business, the correct organisation of the company tends to get neglected. Apart from improving operational performance, it also includes building a capable management (leadership behaviour) and a structured depiction of all business processes (management control). Operational Excellence, in contrast to the usual approach to optimisation, aims at arranging both the day-to-day business and the organisation as a whole in such a manner that the specifications of the company strategy can be fulfilled in the best possible way.

For most companies, Operational Excellence means a change of paradigm and it requires that existing skills are realigned into procedure. Decisive for the success of Operational Excellence is the commitment to change which management brings into the organisation, as well as ambitious targets, straightforward steps within processes – on the basis of which success can be measured – as well as employees who are eager to perform, and who are driven by commitment to continuous improvement, thereby unlocking new potentials.

What are the primary goals? By when should they be reached? Which place will the programme take within the company? Which methods and tools are needed to achieve the goals? These are the crucial questions of the programme of Operational Excellence. Companies often hire external specialists to find the right answers for these questions and to develop a target-oriented course of action. They do this, not only because their top management, attending to the day-to-day business, usually does not have the time to follow complex processes such as Operational Excellence – in which the entire company gets involved – as closely as needed. The professional view from outside; subject-specific know-how; neutrality; vast experience gained from numerous projects for change; best practices; special expertise; internationality; an understanding of different corporate cultures; comprehensive skills in dealing with all stakeholders; as well as tried and tested methods for avoiding – or rather overcoming obstacles – these are the qualities which characterise highly reputed consultants who give their business partners authoritative and resilient results.

Operational Excellence is a continuing process. But it is implemented in four tried and tested stages:

1. Planning and setting the goal
2. Preparation and creating the basis
3. Pilot phase
4. Rollout and further development

PLANNING AND SETTING THE GOAL

The ‘Planning and setting the goal’ phase deals with basic questions for designing an individual programme of Operational Excellence. This stage is therefore particularly important for the programme’s implementation. It is important to have clarity of the aims of the programme, and to set a date by which the targets are to be achieved. Possible targets are, for example, the optimisation of:
In connection to this, the second question is: how should the programme be placed within the company – e.g. as a complete change of corporate culture, directing the strategic focus to specific challenges such as customer satisfaction or quality, or as a toolbox for specific problem-solving? Methods and tools for implementing the programme are chosen accordingly.

PILOT PHASE
According to experience, two aspects are essential in the pilot phase: the successful implementation of projects as well as a high level of acceptance of the necessary steps within the whole company. In terms of specialist knowledge and ideas, the project teams are intensely supported by the management. The project goals are ambitious but attainable. Suitable resources are available. Intensive communication of the programme, the results and further plans boosts appreciation not only of the staff but also of customers and suppliers. Thus resistance can be detected and curbed in time. All activities, including investments and results, are listed in a master plan and broken down into years, quarters and months. These measures help to reduce frictional losses and ensure continuous value-creating activity. Deviations from the plan can in turn be recognised and corrected in time, and processes of change can be directed purposefully in the relevant areas.

PREPARATION AND CREATION OF THE BASIS
The full commitment of top management is the basic requirement for successfully implementing programmes of Operational Excellence in companies. Only then is it possible to deal with resistance in a constructive way and to raise enthusiasm for change.

The involvement of all stakeholders is of particular importance, i.e. supervisory bodies, staff associations, managers and employees. After defining and choosing the most important projects and arranging them into manageable parts, a programme of Operational Management can be designed accordingly. Projects should be led by the company’s best staff members. They have to be exempted from their usual tasks and tutored intensively at the start of their project work in order to ensure sustainable success. The preparation phase is rounded off by integrating the programme into special training, staff development and internal communication.

ROLLOUT AND FURTHER DEVELOPMENT
Depending on the aim of the programme, rollout either takes place on a broad basis or focuses on promising topics and regions. Sound programme structures ensure that all the necessary building blocks are implemented throughout the company. Managers keep the processes of improvement going in order to achieve targets, which are constantly set higher. It may be necessary to expand Operational Excellence to include the entire value chain.

SUCCESS FACTORS
- Confident company management
- Best project leaders
- Committed staff
- Naming the people in charge
- Ambitious vision
- Integrated approach
- Transparent goals
- Prioritising
- Measurable and manageable steps
- Consistent adherence to goals
- Investing into further training
- Patience
Interview and Case Study

INTERVIEW
Operational Excellence – The right tools for an efficient value chain

CASE STUDY
Operational Excellence in the pharmaceutical industry
Operational Excellence – The right tools for an efficient value chain

Libor Kotlik, Managing Partner with Camelot Management Consultants AG

LÜNENDONK: Camelot Management Consultants has assisted with numerous Operational Excellence projects during the past years, especially in the chemical and pharmaceutical industry. How do you explain Operational Excellence to your clients?

KOTLIK: Operational Excellence is a straightforward concept. It means that all activities along the value chain are done in the right way, and in such a manner that more customer value is created or that costs are reduced. In both cases, the company gains a competitive edge. Operational Excellence is achieved at the point where all activities create value. Enquiries from customers are answered without delay; products are produced only when they are really needed. Employees are trained for their specific tasks; they are motivated and entitled to implement positive changes for the benefit of the customer.

LÜNENDONK: What are the goals that your clients want to achieve with their Operational Excellence programmes?

KOTLIK: Essential goals of our clients’ Operational Excellence programmes are to reduce costs, increase the reliability of business processes, decrease working capital, and also to shorten cycle times in order to be able to respond to customer demands with more flexibility.

LÜNENDONK: Is Operational Excellence limited to production only?

KOTLIK: No. Programmes and tools for Operational Excellence can basically be applied along the entire value chain, e.g. order processing, procurement, product development, human resources, and also in the area of Master Data Management. Many of our clients start off with such programmes in production, however. There is a good reason for that. Comprehensive improvements across production...
sites, such as the ones targeted with a worldwide supply chain optimisation, can only really take effect once a production site – supported by a well-directed Operational Excellence programme – has reached a certain level of performance. Adherence to schedule, short cycle times and flexibility – in brief, production Operational Excellence – form a crucial basis when the entire value chain is to be led to maximum performance.

LÜNENDONK: How does Camelot Management Consultants set up an Operational Excellence programme to ensure that it becomes a success?

KOTLIK: First of all it is important to determine the goals and the scope of the project. This means that it has to be made transparent what the Operational Excellence programme is supposed to achieve. As a next step the right project participants have to be identified. In our experience, interdisciplinary teams provide an advantage. These are mixed groups of employees who remain responsible for the work process – on which the project was focused – after the project has ended, plus internal and external specialists. The latter help to transfer methods and optimisation tools into the team speedily and thereby see to that the project can progress fast and ensure success. For the optimisation of processes we use methods from Lean Manufacturing and Six Sigma. Depending on the company’s corporate culture and project content we create a balance between Lean, Six Sigma and other methods. Lean Manufacturing still is often misunderstood in Europe as a mere reduction of costs. Six Sigma, on the other hand, tends to be seen as too rigid and too heavy on data. These potential issues must be taken into consideration or else the project might be shipwrecked by methodology before it even starts to take off. Another important criterion is project organisation. A steering committee which is able to take decisions as well as defined project resources, a budget and a project map with clear goals and indices for success is a must. Communication on the project and its progress is crucial as well, and so is a sponsor from the ranks of upper management who assumes overall responsibility. Qualification measures plus coaching the project team and the staff who are affected by the changes, complete our approach to Operational Excellence.

LÜNENDONK: In your experience, what is decisive for a successful Operational Excellence programme?

KOTLIK: It hinges on three specific areas. First of all the employees and the management: the employees who are best suited for the project are selected and led to success in the true sense of the word. Qualification and coaching are closely connected to this. The methods and tools required to achieve Operational Excellence do not have to be invented all over again, but the employees have to understand them and must be able to use them. Guidance is needed for that. The third area is about empowerment and authorisation. Project teams must be put into a position where they can themselves decide about positive changes and implement them, too.

LÜNENDONK: How can you measure the success of an Operational Excellence programme?

KOTLIK: Concrete performance indicators such as costs, quality or service level, need to be set in the early phase of such a programme. Without this type of success control, the investment for the programme will inevitably be lost. Companies, in which Operational Excellence is more firmly entrenched in the corporate culture, also measure indirect indices, such as the number of suggestions for improvement, newly trained staff or the number of current teams assigned for continuous improvement. These indices then become a fixed part of the company’s index system. In the case of companies which have already progressed further in their quest for Operational Excellence success also shows in other ways. Six Sigma and Lean tools are applied in the daily work as a matter of course, further training of staff takes place on a regular basis.
– a process of continuous improvement is in place. The programme becomes daily business and targets are being achieved.

**LÜNENDONK:** In your opinion, what are the main reasons for success not materialising?

**KOTLIK:** Two things usually come up as the cause. On the one hand is the lack of determination to push the programme through as decided; sponsorship slackens, resources are withdrawn and the programme is in danger of petering out. On the other hand are programmes that are started without change management and qualification measures. This course of action ignores one of the basic ideas of Operational Excellence, namely that process changes also necessitate a change of attitude.

**LÜNENDONK:** What do you see as the added value of an external consultant for an Operational Excellence programme?

**KOTLIK:** The experience of an external consultant is very useful when it comes to arranging an Operational Excellence programme in the right way and in training the staff with regard to methods and tools. With his/her industry-specific specialist knowledge the consultant supports the project teams with viable new ideas while the project is still in progress. Experienced external support is just as helpful during the implementation phase when the focus is on change management, as well as spreading the programme to other business units and auditing the project’s success.
Case Study

Operational Excellence in the pharmaceutical industry

Operational Excellence has many fathers: Lean Management, Total Quality Management, Six Sigma, to name but just a few. However, all initiatives for achieving Operational Excellence have two things in common: to change processes and to change the behaviour of the people behind those processes.

The pharmaceutical industry, in particular, is experiencing big changes at present. Expiring patents and weak development pipelines have forced the researching pharmaceutical industry to abandon the blockbuster strategy of the previous decade.

Camelot Management Consultants AG has successfully completed numerous projects in the pharmaceutical industry during the past years and picked up our customers’ decreasing margins with Operational Excellence (OPEX) activities. These activities focus on pharmaceutical production, the supply chain and distribution. Higher effectiveness, efficiency and flexibility will in the future be demanded by the pharmaceutical supply chain in particular. Two very different examples will show the enormous scope of Operational Excellence in the pharmaceutical industry.

“TOYOTA IS GOOD – BUT HOW DO WE FIND OUR OWN WAY?” – OPTIMISING PRODUCTION BY GETTING OUR STAFF INVOLVED

Our client is a medium-sized pharmaceutical company with four production sites and some 3,400 employees, about 800 of whom are production staff. Turnover was severely at risk due to expiring patents.

Camelot was entrusted with solving the following question:

“How should we design our Operational Excellence programme to see a relevant decrease in production costs within one year?”

An analysis of the four production sites showed how the savings potentials could be reached. The core initiative was to increase productivity of the packaging plant. The initiative aimed at increasing productivity with lower allocation of human resources. Our client had already tried several times in the past to increase packaging productivity but simply got stranded with the conceptualisation and implementation of this top down approach.
A review of past projects showed that it had been omitted throughout to get affected employees involved in the solution in a reasonable manner. Neither the staff’s innovative strength nor their function as a medium for the envisaged changes had been sufficiently activated.

Thus the key to success was to engage the employees as a source of information and ideas in order to ensure their support for the changes as well: in small workshops plant operators uncovered potentials in start-up and cycle times, which were often impossible to detect from a bird’s-eye view. Most of the suggested measures were so hands-on that they were implemented by the time the workshops ended. This strategy also resulted in an exceptional level of identification with the project targets. Alongside the workshops Camelot trained the company’s own experts in using this method. This meant that the bottom-up approach and change management had to be combined for a joint line of attack in order to perpetuate the momentum of success.

Camelot also developed an innovative solutions process to allow for rapid problem-solving in the day-to-day business. Implementations became possible within one day.

In addition to the measures affecting processes this strategy had an enormous impact on motivation. Within six months the start-up times were reduced by up to 67 percent. 21 Full Time Equivalent (FTE) staff members were available to form an additional shift, so that overall loads could be increased considerably without causing extra costs. Within one year staff productivity (efficiency per employee) was doubled and costs were reduced to the same degree.
However, Operational Excellence is much more than increasing the productivity of plants.

**SYNCHRONISING SUPPLY AND DEMAND: OPERATIONAL EXCELLENCE IN SUPPLY CHAIN MANAGEMENT**

Camelot implemented an approach which is unique for the industry during a global Supply Chain Excellence project for one of the Top 10 companies in pharmaceuticals. Within one initiative Camelot was entrusted with the task of significantly reducing the stocks of finished goods through excellent planning.

Companies keep stock to balance uncertainties in the market on the one hand, and in replenishment on the other hand. The rule of thumb is: the less fluctuation – the lower the warehouse stock. Excellent supply chain management is able to minimise replenishment uncertainties and thus the stock.

Camelot was aware that there was no single solution. Therefore the project team sorted the finished goods into segments according to variability of demand and the volume of demand. A planning approach which served the segment-specific requirements in the best possible way was assigned to each segment.

Indeed it was possible to identify a stock segment of low variability and medium volume between the established segments MTS and Flow. Up until now, this newly identified segment had not been included in any specific planning approach. It required that medium volumes are best controlled by minimising the start-up effort and at the same time affect replacement in small lots in regular intervals. Optimal balance between both aspects is in fact achieved with the Rhythm Wheel concept.

![Diagram](image_url)

*Illustration 7: The Rhythm Wheel approach optimises the interaction of the E2E supply chain. (Source: Camelot Management Consultants AG)*
The Rhythm Wheel planning concept is totally demand-driven: production only takes place when warehouse stock falls below a certain level. This means that forecasts are not relevant for production in the short-term horizon. The size of production lots is determined by the difference between actual stock and target. Set minimum lot sizes may have to be taken into account.

The sequence in which products are produced is fixed on a symbolic wheel as product sequence with optimised start-up times and remains unchanged. The only exception arises when a product is skipped, which happens when demand has been low or nonexistent, so that no production is necessary.

As a result of the Rhythm Wheel planning approach with optimised start-up times and sequences, warehouse stock is adjusted to actual demand. An unchanging sequence of orders stabilised the replacement times which in turn minimised capital costs due to minimum inventory levels.

Illustration 8: There is more to Operational Excellence than Lean Six Sigma.
(Source: Camelot Management Consultants AG)
These examples show two of the many initiatives to achieve Operational Excellence. Modern Operational Excellence programmes utilise their employees’ inventiveness and change potential to reach strategic goals. Those in charge have noticed that much more potential can be uncovered with the inventiveness of employees than with extensive studies. But the staff’s readiness for change does not happen on its own. Managers of Operational Excellence invest into the innovative strength of persons who are the most familiar with the processes, trigger the motivation and create the opportunity to solve problems independently or refer unresolved issues to the right address. During the past years production has been greatly improved using this strategy, especially in the pharmaceutical industry.

On the other hand, the new focus of Operational Excellence is the supply chain. New planning concepts optimise the balance between uncertainties in replacement and stock. Segmented value streams increase capacity utilisation and reduce complexity.

Other optimisation potentials in the supply chain may be discovered through a closer look at the partners. The cooperation with suppliers and subcontractors, for example, offers large potentials far beyond a mere increase in efficiency.

A few years ago Harvard Professor Michael Porter noted: “Operational Excellence does not replace a good strategy. But Operational Excellence is an excellent tool to achieve your strategic goals”.
Glossary

5A: Action or campaign to improve self-organisation; the 5As are for the first letter of the German words for throw out; tidy up work stations; arrange work equipment ergonomically; turn arrangements into the standard; adhere to all points and improve them constantly.

5M: A method for avoiding mistakes. Man; machine; material; methods and measures are scrutinised.

5S: The 5S method is similar to the 5A method. The 5Ss are for the Japanese terms Seiri (sorting); Seiton (tidiness); Seiso (cleanliness); Seiketsu (personal sense of order) and Shitsuke (discipline).

5W Method: A method of problem analysis by asking questions. ‘Why’ questions are asked until an equivocal answer is no longer forthcoming. The cause of the problem seems to have been found. This phenomenon can be compared to the way in which children tend to ask questions.

6 Level Model: Functionality model for improving office efficiency in six stages.

6 Level Model: Functionality model for continuous improvement processes (CIP) in production.

Continuous Improvement Process (CIP): A process which aims at continuous improvement. It corresponds to the Kaizen idea.

Cultural Fit: Compatibility of an organisation’s corporate culture with the culture of a potential employee or external consultant.

Customer Care Cycle: The customer care cycle covers the entire process of recruiting customers, building lasting customer relationships and winning customers back.

Full-time equivalent (FTE): A relative measuring unit for resource capacity to show staff numbers calculated on a full-time basis. One FTE is the equivalent of one full-time employee.

Heijunka Board: A tool used in the value stream method for clearly laid out planning. It is similar to a planning table, but adjusted to the necessity of production levelling.

Just-in-Time: A principle for controlling the flow of material and information along the entire process chain. The aim is to supply the correct material at the right time and place in the correct quantity. Warehouse stock is to be avoided as much as possible.

Kaizen: The combination of the two Japanese symbols KAI (change) and ZEN (good). The term thus stands for ‘change to the better’. In Japan it is a symbol for continuous change in small steps.
**Kanban**: A method for controlling the flow of material. As soon as a minimum stock level is reached, supplies are automatically ordered by means of a card or electronic report. Kanban is a pull system.

**Key Performance Indicators (KPI)**: Certain indicators which have the purpose to control a company and its processes as well as monitoring the level of achievement.

**Lean Production**: A planning concept to achieve a production method which is flexible, meets requirements, is decentralised and controlled in groups. Characteristics include the responsibility of employees for quality and the low buffer of material between individual manufacturing stages. The aim is to create a lean company which is tuned to its customers and suppliers, as well as the company’s various functional sections in the best possible way.

**Lean Sigma**: A comprehensive approach for business optimisation which combines the ideas, methods and tools of Lean Transformation and Six Sigma. Lean Transformation concentrates on speed while the focus of Six Sigma is on quality. By combining the two, better quality can be reached faster.

**Lean Transformation**: The aim is to coordinate all work processes in the best possible way and to eliminate anything unnecessary along the value chain. Existing systems are scrutinised from two perspectives: from the customer’s perspective whose requests for availability, individuality, quality and price are to be met as best as possible, and from the perspective of the company which has to be profitable and competitive.

**Makigami**: The Makigami diagram of a process may be used to illustrate and analyse company processes of any kind. It is particularly suitable for the office environment where processes generally tend to be less transparent. Each of the “seven deadly losses” can (and will) be identified with the help of Makigami.

**Milk Run**: A supply/delivery concept from Supply Chain Management. A set route connects several sites, and sets delivery and collection times, as well as quantities. The concept takes its name from milk delivery methods in the United States.

**Pareto analysis**: Vilfredo Pareto, a mathematician, realised already back in the early 19th century that 20 percent of the world’s population possessed 80 percent of the entire wealth. Further research showed that the so-called 80/20 rule is also valid for many other areas. These days Pareto analysis is used to, among others things, prioritise the problems to be dealt with in the course of quality management.

**PM analysis**: Used for the continuous improvement of plants, especially with regard to chronic loss of performance. P is for problem, phenomenon and physical, while M is for machine, man, method and material.

**Poka Yoke**: Technical precautions to prevent mistakes at the source. An example is the petrol station: the nozzle for diesel does not fit into vehicles which run on petrol.

**Pull principle**: The principle of pulling production. Ideally and typically the customer is seen as the trigger to start production.
Optimisation of set-up time: Optimising the time span between the last step of the production order in progress and the first step of the next production order.

Seven deadly losses: 1. Defects (inaccurate or incomplete information) 2. Waiting (for data from other ‘units’) 3. Control (collecting signatures) 4. Post-processing (copy, change) 5. Store and stack (stacks of files, etc.) 6. Over-processing (searching, non-standardised processes) 7. Moving (documents which are moved around, illogical filing systems).

Six Sigma: Six Sigma is a statistical goal for quality and at the same time a quality management method. The core element consists of describing, measuring, analysing, improving and monitoring business processes with statistical means. Goals are geared to the company’s fiscally important parameters and customer demands. A characteristic of Six Sigma is to form cross-functional and cross-hierarchy teams with defined roles and tasks. Roles are defined by the colour of belts, like the ranks in Japanese martial arts, such as Master Black Belt (full-time improvement expert as coach, trainer and instructor), Black Belt (full-time improvement expert as project manager with experience in the application of Six Sigma methods) and Green Belt (middle-management, project team member).

Steering Committee: The link between project and company organisation.

Target costing: This concept was developed in Japan during the 70s. It aims at determining a target price for a product or service with customer orientation in mind. On the basis of that, so-called allowable costs, i.e. target costs, are determined for individual components and activities. This tool is mainly used for intensely competitive markets.

Total Productive Maintenance: A concept for the best possible utilisation of production facilities on the basis of preventive maintenance and continuous improvement of the equipment’s availability. The aim is to involve all employees in the improvement process in order to increase responsibility for the machine and thus boost motivation on the one hand, and on the other hand reduce disruptions of process runs through the increased level of attention.

Total Productive Management: Comprehensive management system to increase availability of facilities, minimise losses, integrate staff and avoid duplication of work. As a result of increasing automation and complexity TPM is becoming increasingly important.

Total Quality Management (TQM): Integrated quality management which draws upon the involvement of all members of an organisation that is focussed on quality, and on the basis of customer satisfaction aims at long-term business success as well as its members’ benefit.

Value stream design/analysis: The value stream is the sum of all activities and processes (whether they add value or not) which are necessary for providing a product or service. A value stream analysis retraces the processes along the value stream to identify weaknesses and waste within the process chain. As the next step, value stream mapping then attempts to synchronise individual part-processes in such a way that cycle-times and stock can be reduced as far as possible.
Company Profiles

CAMELOT MANAGEMENT CONSULTANTS
LÜNENDONK
Company profile

Camelot Management Consultants AG is the strategic and organisational consultancy for integrated Value Chain Management. In our consulting projects we combine strategy, process and IT competence to develop superior industry-specific solutions side by side with our clients. It goes without saying that we support our clients all the way from the initial strategy to successful implementation.

The value chain is at the centre of our consulting activity; from distribution to production, supply chain management and procurement to product development. The industry focus on chemicals, pharmaceuticals and consumer goods enables us to develop solutions which take the characteristics of the respective sector into consideration from the start. Thus, our consulting services are not mere methodologies but they offer concrete industry specific content. The satisfaction of our customers is our number one priority. We ensure satisfaction through innovative client-specific consulting services of the highest quality.

Interdisciplinary teams of consultants, deep-rooted innovation and knowledge management, and close cooperation with leading universities are the basis of our capability for innovation. Our employees make the difference; highly educated, with years of industry experience und functional expertise, they are extremely motivated to push for quality and for our clients’ success.

Operation Excellence is one of our key service offerings. Our customers benefit from years of experience gathered during numerous projects along the entire value chain.

INTERNATIONAL PARTNER ORGANISATIONS
Together with our Camelot partner organisations all over the world we have a qualified international team at our disposal for global projects. This ensures presence and contact on-site, and that various cultural requirements are taken into account. The Camelot Group is an international partner organisation of independent local consulting companies in Europe, the Unite States and Asia. With more than 1,200 consultants we are able to give an individual and local fit to our global projects.

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Lünendonk® Studies are part of Strategic Data Research (SDR) within the service portfolio of Lünendonk GmbH. In combination with the services contained in the portfolio elements, Strategic Roadmap Requirements (SRR) and Strategic Transformation Services (STS), Lünendonk is able to support its clients from start to finish: from developing the strategic questions to obtaining and analysing the necessary information right to the point of activating the results in the operational day-to-day business.

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