Incorporate 'lean' principles throughout the supply chain to improve bottom line

While very few businesses doubt the value of 'lean' principles – such as customer focus, removing waste, keeping score and empowering people – not many take the implementation process far enough in order to improve the agility of their supply chain management and increase their bottom line.

Implementing the five principles of 'lean' provides a way to specify value, line up value creating actions in the best sequence, conduct these activities without interruption whenever someone requests them, and perform them more and more effectively.[i]

US-based business scientist Keith Launchbury, a speaker at this year's SAPICS regional conferences in September, will show delegates how to apply 'lean' principles throughout the supply chain.

He says by failing to apply 'lean' concepts across their entire supply chain, businesses lose out on substantial value that is at their fingertips in terms of saved energy, material and time.

"Considering the wasted energy, material and time that are prevalent in many global supply chains, there is no question that concepts of 'lean' are applicable here," said Launchbury, who will be at the SAPICS podium in Sandton on 5 September, in Durban on 6 September and in Somerset West on 8 September.

In his presentation, he will discuss the challenges of sharing accurate demand information in good time, and highlight ways to become agile enough to do this – with the end goal of establishing integrated and flexible product flow management.

Building on his experience of researching 130 businesses of different sizes, he has an excellent practical grasp of which strategies work and which do not – and will demonstrate to delegates how to leverage this knowledge in applying 'lean' across different enterprise systems. He has guided hundreds of businesses to achieve improved operational performance, business results and competitiveness.

With 40 years of experience, Launchbury is an authority in integrated resource management, inventory management and supply chain management, and is a former International President of global Supply Chain Management association APICS – of which SAPICS is the exclusive Premier Channel Partner in Sub-Saharan Africa. He is also a renowned business educator and has taught generations of business students to think scientifically about business.

Side bar 1:
What is 'Lean' Supply Chain?
Lean supply chain management is about reducing costs and lowering waste as much as possible. This methodology is important for organisations with high volumes of purchase orders since waste and costs can accumulate quickly. Additionally, companies with high volumes or low variability purchase orders, such as food items, benefit their efficiency

greatly by utilising the lean supply chain methodology. The five principals of 'lean' are:

- Specify Value (from the customer's point of view)
- Identify all the steps in the Value Stream (mapping)
- Flow
- Pull
- Pursue Perfection (Principles)

Sidebar 2:

What is Agile Supply Chain?

Agile supply chain is built to be highly flexible for the purpose of being able to quickly adapt to changing situations. This methodology is considered important for organisations that want to be able to adapt to unanticipated external economic changes, such as economic swings, changes in technology, or changes to customer demand. Implementing an agile supply chain allows organisations to quickly adjust their sourcing, logistics and sales.