

The quest for excellence

How Lucas-TVS moved ahead on the road to the Deming Prize

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WHEN Mr TK Balaji, Chief Executive & Managing Director, Lucas-TVS was in Japan last week to receive the Deming Application Prize, he was not the only representative of the company. Mr V Srinivasan, Cell Operator of Lucas-TVS' Chennai facility was also there to witness the event. That is the way the company chose to honour its employee who had consistently achieved zero ppm in his cell.

Winning the Deming Prize has become a habit with the TVS group, starting with Sundaram Clayton-Brakes division, which won the award in the year 1998. This was followed by Sundaram Brake Linings (2001), TVS Motor Company (2002), Brakes India—foundry division (2003) and Lucas TVS for the year 2004. But Lucas TVS was one of the earliest companies in India to bring about changes in manufacturing process, like Just-in-Time (JIT) production, which was adopted as early as 1985. While many companies in the world had changed to product based manufacture, Indian companies remained process oriented manufacturers. Lucas TVS adopted cellular manufacturing technique where the employees worked in small groups called cells.

The next stage was to perfect the cell into single flow production, by the formation of product units. Thereby every worker is made accountable for the quality of the products. Product based manufacture ensures the uniform flow of products from one cell to another, enhancing the efficiency of the production process. The next step was the Total Quality Maintenance



TK Balaji, Chief Executive & Managing Director, Lucas-TVS

(TQM) activity, which was launched in 1998.

“Lucas TVS is a company which manufactures high variety low volume products. There are over 600 varieties of products. In some varieties, only 12 units are manufactured per day whereas in a few other varieties, over 2500 units have to be made. Hence we identified Just-in-Time (JIT) production as the ideal method to be adopted. Once JIT was mastered, we moved to Total Quality Maintenance”, said Mr N Ravichandran, President (Operations), Lucas-TVS.

Quality focus

TQM involves various activities like employee suggestion, small group activity and waste reduction. Once the system was put in place, the results, naturally followed. The customer line rejection, which was around 1834 ppm (parts per million), in 1998-99, dropped gradually and is now 30 ppm. The average sales per

employee has gone up three times. “Only when we adopt such measures would we be able to compete with international companies coming to India”, he said. Having mastered the TQM techniques, the company launched Total Productivity Maintenance (TPM) in July this year.

“In companies like Toyota, a single employee would manage 18 machines. From a situation where one worker manned one machine, we have progressed to a state where one employee today can man up to 16-17 machines”, beamed Mr N Ravichandran, President (Operations). The company believes that every activity undertaken by the employees should add value.

But making drastic changes in production process in a thirty year old company was no easy task. In the first small group activity (SGA) undertaken, there was only one group with 22 members. On seeing the activities the group undertook and the encourage-

ment and recognition it received from the management, the other employees were forthcoming to the idea.

The very idea of their suggestions being heard and implemented boosted the morale of the employees. M Guna Singh, Senior Technical Assistant in the company's Padi facility points out to many of the employee suggestions which made a great difference in the process.

“For instance, in one of the processes, the worker had to walk to another machine which was quite a distance from his, to check if the small red light was glowing, before he switched on his machine. An employee suggested that a prism can be kept in front of the light, so that workers from all sides of the factory would know whether the light was on or not”, said Mr Guna Singh.

In another instance, a small plastic ball was suspended from a lever to know whether the lever was open or closed. “When the ball was up we knew it was open and when it was fully suspended it was obvious that the lever was closed”, he explained.

The employees are also happy about the multiskill development through such activities, which not only widens their knowledge, but also breaks the monotony of their work. When the employees are enthusiastic about the work, it shows in the overall efficiency of the company. The company has won the Best Supplier award from both Maruti Udyog as well as Hyundai Motor India Ltd, this year.

Mr Balaji has now set his sight on the Japan Quality Medal, awarded for the continuous implementation of TQM activities. ♦