## UNIVERSITI TEKNOLOGI MARA

# LEAN MANUFACTURING IMPLEMENTATION IN AN AUTOMOTIVE ASSEMBLY LINE

### NURUL HAYATI ABDUL HALIM

Thesis submitted in fulfillment of the requirements for the degree of Master of Science

**Faculty of Mechanical Engineering** 

September 2012

#### **AUTHOR'S DECLARATION**

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student	:	Nurul Hayati Binti Abdul Halim
Student I.D No	:	2009551675
Program	:	Master of Science in Mechanical Engineering
Faculty	:	Faculty of Mechanical Engineering
Thesis Title	:	Lean Manufacturing Implementation in an Automotive Assembly Line

Signature of Student

Date

September 2012

#### ABSTRACT

In this research the implementation of Lean Manufacturing (LM) system with an application of a set of lean tools in an automotive assembly area is examined. The study seeks to investigate how the lean tools could be applied and how the company could benefit from the implementation. In order to collect data, the existing case study area called MYVI assembly line was examined and the current Material and Information Flow Charts (MIFC) was mapped. The purpose of mapping the present MIFC is to highlight the hidden waste in the existing system such as waiting times. transportation time and unwanted inventories. Based on this information, suitable lean tools such as set-up time reduction, continuous flow process and standardized work were identified and mapped accordingly in the future MIFC. The line balancing and re-layout activities complement the total LM system establishment. Through performance analysis, results from the implementation were measured and analysed by comparing the lean metrics between the existing conditions against the improved system. The performance of the improved system were then presented in the form of productivity and cost saving. The findings revealed that the company managed to increase their productivity and reduce the operational cost significantly after the LM implementation. It can be concluded that a systematic approach is essential and appropriate lean tools is crucial for the LM establishment process. Based on the findings, it was recommended that the management replicate these activities in other assembly areas or manufacturing areas in order to achieve full LM system company wide

## TABLE OF CONTENTS

AUTHOR'S DECLARATION		ii
ABSTRACT		iii
ACKNOWLEDGEMENTS		iv
TABLE OF CONTENTS		v
LIST OF FIGURES		viii
LIST OF TABLES		x
LIST OF ABBREVIATIONS		xii

CI	HAP	TER ONE: INTRODUCTION	1
	1.1	Background of the research study	l
	1.2	Problem statements 2	2
	1.3	Objectives of the research study	3
	1.4	Scope and limitation of the research study 4	ŧ
	1.5	Significance of the research study	ł
	1.6	Structure of the research study	5
C	HAP	FER TWO: LITERATURE REVIEW	3
	2.1	Lean manufacturing	8
	2.2	Lean manufacturing tools and techniques	13
	2.3	Lean metrics	22
	2.4	The relationship between Toyota's 8-steps,	23
		Deming's cycle and the adopted methods for this study	
	2.5	Methods of data collection	25
		2.5.1 Work Measurement	25
	2.6	Methods of performance analysis	26
		2.6.1 Productivity	26
		2.6.2 Cost effectiveness	27
		2.6.3 Economic investment analysis	29
	2.7	Research gap and literature review analysis	29

CHAPTER THREE: RESEARCH METHODOLOGY	32
3.1 Stage 1: Plan - planning of research activities	32
3.2 Stage 2: Analyze - process analysis for kaizen activities	33
3.3 Stage 3: Design – designing of improved system	42
3.4 Stage 4: Implement - implementation of kaizen activities	44
3.5 Stage 5: Evaluate - results evaluation, performance and economic	49
investments analysis	
3.6 Summary of research methodology	50
CHAPTER FOUR: CASE STUDY	52
4.1 The case study	52
4.2 Stage 1: Plan	54
4.3 Stage 2: Analyze	57
4.3.1 Data collection at the case study area	63
4.4 Stage 4: Design	77
4.4.1 Mapping the future MIFC	77
4.4.2 Plan kaizen activities	81
CHAPTER FIVE: KAIZEN ACTIVITIES	82
5.1 Stage 4: Implement	82
5.1.1 Implementation of set-up time reduction	82
5.1.2 Implementation of continuous flow manufacturing system	92
and standardized work	
5.1.3 Implementation of small <i>kaizen</i> activities	105
<ul> <li>5.1.3 Implementation of small <i>kaizen</i> activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> </ul>	105 107
<ul> <li>5.1.3 Implementation of small <i>kaizen</i> activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> <li>5.1.5 Production training program</li> </ul>	105 107 111
<ul> <li>5.1.3 Implementation of small <i>kaizen</i> activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> <li>5.1.5 Production training program</li> </ul>	105 107 111
5.1.3 Implementation of small <i>kaizen</i> activities     5.1.4 Solving stability issues via root cause and countermeasure     analysis     5.1.5 Production training program     CHAPTER SIX: RESULTS AND DISCUSSIONS	105 107 111 112
<ol> <li>5.1.3 Implementation of small kaizen activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> <li>5.1.5 Production training program</li> </ol> CHAPTER SIX: RESULTS AND DISCUSSIONS 6.1 Stage 5: Evaluate	105 107 111 112 112
<ol> <li>5.1.3 Implementation of small <i>kaizen</i> activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> <li>5.1.5 Production training program</li> </ol> CHAPTER SIX: RESULTS AND DISCUSSIONS 6.1 Stage 5: Evaluate 6.1.1 Data collection at the improved case study area	105 107 111 112 112 112
<ol> <li>5.1.3 Implementation of small <i>kaizen</i> activities</li> <li>5.1.4 Solving stability issues via root cause and countermeasure analysis</li> <li>5.1.5 Production training program</li> </ol> CHAPTER SIX: RESULTS AND DISCUSSIONS 6.1 Stage 5: Evaluate 6.1.1 Data collection at the improved case study area 6.1.2 Establishment of the new production standard	105 107 111 112 112 112 112 114
<ol> <li>Sanda Dice work</li> <li>Implementation of small <i>kaizen</i> activities</li> <li>Implementation of small <i>kaizen</i> activities</li> <li>Solving stability issues via root cause and countermeasure analysis</li> <li>Production training program</li> </ol> CHAPTER SIX: RESULTS AND DISCUSSIONS 6.1 Stage 5: Evaluate 6.1.1 Data collection at the improved case study area 6.1.2 Establishment of the new production standard 6.1.3 Data analysis on the improved case study area	105 107 111 112 112 112 112 114 114