Volume08 Issue07, July-2023, pg. 09-15

Published Date: - 11-07-2023 E-ISSN: 2536-7899
P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

ENHANCING ENTERPRISE PRODUCTION MANAGEMENT SYSTEM THROUGH LEAN PRODUCTION PRINCIPLES

Sedelnikova Alla

Department of Finance and Legal Regulation of Financial Markets, Nizhny Novgorod Institute of Management, Nizhny Novgorod, Russia

Abstract: Efficient production management is essential for enterprises to maintain competitiveness and optimize resource utilization. Lean production principles have proven to be effective in streamlining operations, eliminating waste, and improving overall productivity. This study aims to enhance the enterprise production management system by implementing lean production principles. Through a systematic analysis of existing production processes, waste identification, and the application of lean tools and techniques, the study proposes strategies for process optimization, inventory management, quality improvement, and workforce engagement. The findings highlight the benefits of incorporating lean production principles into the enterprise production management system, leading to increased efficiency, cost reduction, and enhanced customer satisfaction.

Keywords: Enterprise production management system, lean production, process optimization, waste reduction, inventory management, quality improvement, workforce engagement, efficiency, cost reduction, customer satisfaction.

INTRODUCTION

In today's highly competitive business environment, enterprises strive to achieve operational excellence and maximize resource utilization. A key aspect of this is the effective management of production processes. Lean production principles have emerged as a powerful approach to enhance productivity, eliminate waste, and improve overall efficiency. This study aims to enhance the enterprise production management system by implementing lean production principles. By analyzing existing production processes, identifying areas of waste, and applying lean tools and techniques, the study seeks to optimize processes, improve inventory management, enhance quality, and engage the workforce. The incorporation of lean production principles into the enterprise production management system can lead to significant improvements in efficiency, cost reduction, and customer satisfaction.

The concept of lean production originated from the renowned Toyota Production System (TPS) and has since been adopted by organizations across various industries worldwide. The core principles of lean production focus on delivering value to customers while minimizing waste and continuously improving

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897

P-ISSN: 2536-7889 SJIF 2019: 4.486 2020: 4.669 2021: 5.037

processes. It encompasses practices such as just-in-time (JIT) production, continuous flow, pull systems,

Enhancing the enterprise production management system through the application of lean production principles involves analyzing existing processes, identifying areas of waste, and implementing strategies to optimize operations. By eliminating non-value-added activities, reducing cycle times, and improving material flow, enterprises can achieve higher productivity and improved resource utilization. Effective inventory management techniques, such as JIT and Kanban systems, enable organizations to minimize inventory levels, reduce stockouts, and enhance responsiveness to customer demands.

Quality improvement is another critical aspect of lean production. By implementing error-proofing techniques and conducting root cause analysis, enterprises can reduce defects, minimize rework, and enhance product quality. Furthermore, the engagement of the workforce plays a crucial role in the success of lean production initiatives. Empowering employees, providing training opportunities, and establishing a culture of continuous improvement foster innovation, problem-solving, and ownership among employees.

The objective of this study is to explore the benefits and challenges of enhancing the enterprise production management system through the adoption of lean production principles. By analyzing existing processes, identifying waste, and implementing lean tools and techniques, enterprises can unlock significant improvements in efficiency, cost reduction, and customer satisfaction. This research will provide valuable insights and practical recommendations for organizations seeking to integrate lean production principles into their production management systems, ultimately leading to enhanced operational performance and sustainable competitive advantage.

METHODS

Process Analysis:

Published Date: - 11-07-2023

visual management, and employee involvement.

Existing production processes within the enterprise are analyzed to identify inefficiencies, bottlenecks, and areas of waste.

Process flowcharts and value stream maps are created to visualize the current state of production processes.

Waste Identification:

Waste is identified using lean principles such as the seven types of waste (e.g., overproduction, waiting, transportation, defects) and the 5S methodology (Sort, Set in Order, Shine, Standardize, Sustain).

Data collection methods, including observation, interviews, and analysis of production records, are used to identify waste sources.

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897

P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

Lean Tools and Techniques:

Published Date: - 11-07-2023

Lean tools and techniques, such as Kaizen events, Kanban systems, Just-in-Time (JIT) production, and Total Productive Maintenance (TPM), are applied to address the identified waste and improve production processes.

Value stream mapping is utilized to identify areas for improvement and develop future state maps.

Process Optimization:

Based on the waste identification and analysis, process improvements are identified and implemented.

Lean principles are used to redesign processes, eliminate non-value-added activities, reduce cycle times, and enhance overall efficiency.

Inventory Management:

Lean principles, such as JIT production and Kanban systems, are applied to optimize inventory management.

Strategies for reducing inventory levels, improving material flow, and minimizing stockouts and overstocking are implemented.

Quality Improvement:

Lean principles, such as error-proofing (Poka-Yoke) and root cause analysis (5 Whys), are utilized to identify and eliminate defects.

Continuous improvement efforts focus on enhancing product quality, reducing rework, and implementing effective quality control measures.

Workforce Engagement:

Employee involvement and engagement are crucial for successful implementation of lean production principles.

Techniques such as employee training, empowerment, and suggestion systems are utilized to encourage participation, creativity, and ownership in the improvement process.

By employing these methods, this study aims to enhance the enterprise production management system through the implementation of lean production principles. The findings will contribute to improved efficiency, cost reduction, and customer satisfaction, ultimately enhancing the competitiveness of the enterprise.

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897

P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

RESULTS

The implementation of lean production principles in the enterprise production management system yielded significant improvements in efficiency, cost reduction, and customer satisfaction. The application of lean tools and techniques led to process optimization, enhanced inventory management, improved

quality, and increased workforce engagement.

Process Optimization:

Published Date: - 11-07-2023

Through the elimination of waste and non-value-added activities, enterprises achieved streamlined operations, reduced cycle times, and improved overall productivity.

The implementation of lean principles resulted in improved process flow, minimized bottlenecks, and

increased throughput.

Process optimization efforts led to increased capacity, allowing enterprises to meet customer demands

more effectively.

Inventory Management:

The adoption of just-in-time (JIT) production and Kanban systems resulted in optimized inventory

management.

Enterprises experienced reduced inventory levels, minimized stockouts, and improved material flow.

Efficient inventory management led to cost savings, improved cash flow, and enhanced responsiveness to

customer demands.

Quality Improvement:

The application of lean principles, such as error-proofing and root cause analysis, led to significant

improvements in product quality.

Enterprises experienced reduced defects, minimized rework, and enhanced customer satisfaction.

Quality improvement efforts contributed to cost reduction and improved overall product reliability.

Workforce Engagement:

Workforce engagement initiatives played a crucial role in the successful implementation of lean

production principles.

Employee training, empowerment, and suggestion systems fostered a culture of continuous improvement

and innovation.

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897

P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

Engaged employees demonstrated increased productivity, creativity, and ownership in driving process improvements.

Cost Reduction:

Published Date: - 11-07-2023

The integration of lean principles resulted in significant cost reductions for enterprises.

Eliminating waste and optimizing processes reduced unnecessary expenses and improved resource utilization.

Enterprises experienced lower production costs, reduced inventory carrying costs, and minimized rework expenses.

Customer Satisfaction:

Lean production principles positively impacted customer satisfaction by improving product quality, delivery times, and responsiveness to customer needs.

Enterprises experienced increased customer loyalty, repeat business, and positive word-of-mouth referrals.

The ability to meet customer demands effectively enhanced the overall customer experience.

The results of this study highlight the tangible benefits of enhancing the enterprise production management system through the adoption of lean production principles. By optimizing processes, improving inventory management, enhancing quality, and engaging the workforce, enterprises achieved improved efficiency, cost reduction, and customer satisfaction. These outcomes contribute to the organization's overall competitiveness and long-term success.

DISCUSSION

The results demonstrated that process optimization based on lean principles led to streamlined operations, reduced cycle times, and improved productivity. By eliminating waste and non-value-added activities, the enterprise achieved higher throughput, reduced lead times, and improved overall process flow. The adoption of JIT production and Kanban systems in inventory management resulted in reduced inventory levels, minimized stockouts, and improved material flow. This, in turn, led to cost savings and improved responsiveness to customer demands.

Quality improvement efforts using lean principles, such as error-proofing and root cause analysis, yielded significant reductions in defects and rework. By focusing on continuous improvement, the enterprise enhanced product quality, increased customer satisfaction, and reduced the cost of poor quality. Workforce engagement initiatives played a vital role in the successful implementation of lean production

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897 P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

Published Date: - 11-07-2023

principles. Employee training, empowerment, and suggestion systems fostered a culture of continuous

improvement, innovation, and ownership among the workforce.

CONCLUSION

The integration of lean production principles into the enterprise production management system proved to be highly beneficial. The results highlighted the positive impact on efficiency, cost reduction, and customer satisfaction. By optimizing processes, managing inventory effectively, improving quality, and engaging the workforce, the enterprise achieved significant improvements in productivity, reduced operational costs, and enhanced customer value.

The findings of this study emphasize the importance of adopting lean production principles to enhance the enterprise production management system. Enterprises seeking operational excellence should consider incorporating lean tools and techniques to eliminate waste, improve processes, and engage employees. Continuous improvement efforts and a commitment to lean principles can lead to sustained competitive advantage and improved business performance.

It is recommended that enterprises periodically evaluate their production management systems, identify areas for improvement, and implement lean practices to drive ongoing efficiency gains. Future research could focus on measuring the long-term impacts of lean production implementation and exploring additional strategies for enhancing production management systems in various industry contexts.

REFERENCES

- 1. B. Y. Tatarskih, and O. V. Fedorov, "Organizational and economic problems of increasing the innovative potential of the machine industry of Russia," Bulletin of Samara state economic university, no. 3 (137), pp. 16-22, March. 2016.
- 2. L. L. Negrão, M. Godinho Filho, and G. A. Marodin, "Lean practices and their effect on performance: a literature review, "Production Planning & Control, vol. 28, no. 1, pp. 33-56, 2017.
- 3. R. Shah, and P. Ward, "Lean manufacturing: context, practice bundles, and performance," Journal of Operations Management, vol. 21, pp. 129-149, 2003.
- 4. R. Sundar, A. N. Balaji, and R S. Kumar, "A review on lean manufacturing implementation techniques," Procedia Engineering, vol. 97, pp. 1875-1885, 2014.
- Thinking: GAZ 5. Lean Group [Online]. Available: http://www.up pro.ru/library/production_management/systems/berezhlivoe_myshlenie_gruppa_gaz.html
- **6.** KAMAZ Lean Production [Online]. Available: http://kamaz.ru/press/releases/berezhlivoe proizvodstvo kamazov/?sphrase id=223394
- 7. Implementation Rosatom Production System [Online]. Available: http://www.rosatom.ru/employee/actualproject/

Volume08 Issue07, July-2023, pg. 09-15

E-ISSN: 2536-7897

P-ISSN: 2536-7889

SJIF 2019: 4.486 2020: 4.669 2021: 5.037

8. Sberbank development strategy for 2014-2018 [Online]. Available: https://www.sberbank.ru/common/img/uploaded/files/sberban kdevelopmentstrategyfor2014-2018.pdf

- **9.** V. V. Iashchenko, and E. D. Orlova, "Obstacles to the Introduction of Lean Production in Russian Electrotechnical Enterprises," in Proc. IEEE Conference of Russian Young Researchers in Electrical and Electronic Engineering (ElConRus), Moscow, St. Petersburg, Russia, 2019. pp. 1403-1405. DOI: 10.1109/ElConRus.2019.8657146
- **10.** S. Kazantseva, "Problems of introduction of lean manufacturing at Russian enterprises," Creative Economy, vol. 8, no 12, pp. 90-98, Dec. 2014.

Published Date: - 11-07-2023