**Case – Katz Carpeting**

1. What suggestions do you have for implementing JIT at Katz? Should specials and standards be produced on the same line? (Hint: Do they require the same type of operation?)

Specials and standards should not be produced on the same line since they do not require the same type of operation. JIT uses cells for manufacturing. We could easily divide these two areas into lines or cells of their own, and even have more than one cell per area.

1. If production of standards and specials is separated, how different will JIT implementation be for production of the different products? Explain what would be needed in JIT implementation for both products.

JIT implementation will not differ much for these two types of products. The main difference is the critical need of reducing setup times for the production of specials. To implement JIT for both products, we will need to perform the following steps:

* + - 1. Make quality improvements: In order to produce the right number of products at the right time, without waste, we need to improve quality.
      2. Reorganize the workplace: The layout, cleanliness, and organization of the environment must be improved.
      3. Reduce setup times: Setup times must be reduced in order to allow us to be flexible in production, and reduce waste since setup time does not generate income. Setup time takes away the production time available to produce the product. In addition, we need short setup times in order to justify the production in small batches to be flexible. It is much more important to reduce the setup times for special products since these times are quite high.
      4. Reduce lot sizes and lead times: Once setup times are reduced, we can reduce the lot or batch size. Reducing the setup times and batch sizes cause the lead times to significantly decrease.
      5. Implement layout changes: The layout needs to change in order to improve the process. We should form line flows and create cells of these lines.
      6. Switch to pull production: The customer orders pull the products through the production process.
      7. Develop relationships with suppliers: We need to develop relationships with suppliers in order to improve quality and receive frequent deliveries of raw materials.

1. What suggestions do you have for improving the way the production schedule is currently made?

JIT uses strict, fixed schedules for manufacturing for some period of time before allowing changes. This is what needs to be done in order to improve production scheduling. Making frequent changes to the schedule is disruptive.

1. How would you characterize Josh’s view of JIT? What challenges do think a consultant will face in implementing JIT at Katz? If you were a consultant, how would you approach these problems?

Josh does not have a positive view of JIT. A consultant would need to overcome the resistance that Josh would show concerning a JIT implementation. I would approach these problems using the TOC approach for buy-in (which is discussed in the TOC Tips section of chapter 2 of this manual). It is important to help Josh figure out what his current problems are and to gain a better understanding of how JIT is beneficial. We will need to help him understand that idle time is not bad. The goal of the company is not to keep everyone busy. It is, in many cases, to make money now and in the future. We can demonstrate that keeping everyone busy can actually hurt our financial performance.