

ERP Software's Role In 6S Manufacturing



STRIVEN
Insights Series

— Manufacturing Edition —

For businesses of all shapes and sizes...

...efficiency and profitability are always goals. Despite their differences, every business tries to accomplish the same thing: create a sustainable and reliable stream of income without overextending resources. But how does this process begin? For manufacturers, it starts with planning and setting the stage for the future.

Brought to life in Japan during the 1960's, the 5S method was first utilized in automobile production. Allowing manufacturers to substantially reduce workplace waste and distraction, the 5S method quickly expanded into other industries, such as government, finance, and education.

Since the method's inception, both technology and the way we conduct business have changed. Though the original proprietors of the 5S method surely could not have foreseen the colossal changes that modern technology has ushered in, their principles and guiding philosophies still hold true today.

This Insight Guide will examine the role of cloud ERP software for manufacturers in modernizing the 5S method to fit Industry 4.0— and how the 6th and newest “S” could wind up being the most crucial of them all.

The **5S system** became the framework for a similar technique— “Just In Time” manufacturing—to be put to use at Toyota, and later by Motorola and IBM.



Sort (seiri 整理)

What is it?

The first “S” is about organization. Taking inventory of your business is the first step— a complete and total inventory. Not just the raw materials and finished products, but *everything*.

What can I do?

Look around and inspect your surroundings. Account for every detail, no matter how seemingly insignificant. Tools, machines, computers, desks, decorations, pencils— everything. Ask yourself what value each object holds. Does it serve a purpose, or does it simply take up space? (This process can apply to your employees, too, but with greater care and a different perspective.)

What’s the goal?

The goal of Sorting is to remove clutter, distraction, and anything else hampering efficiency. The fewer items clogging up your workspace, the more efficient your work will be. [Cloud ERP](#) will facilitate your audit of inefficient processes within your organization, but it begins with you taking stock of the entirety of your physical workspace.

Your process should include an organizational method for *how* you take stock of your workspaces. Creating categories and having a digital method for cataloguing can ensure that your time spent sorting doesn’t result in chaotic inventories. It can be counterproductive to simply “identify” without proper comparison and steadfast rules about how you define what’s useful and what’s wasteful.

The average office employee spends **1.5 hours** a day (6 weeks per year) looking for things.



Set In Order (seiton 整頓)

After you get organized, you should have a better understanding of your office and its processes. Tidying up your materials, files, and equipment is only the first step in the process of productively re-organizing your office.

What is it?

The second “S” is about arranging your items in a fashion that is conducive to efficiency. Knowing where things are is step 1, but knowing where and how they will be placed most efficiently is step 2.

What can I do?

Take a look at the common practices in which your business partakes on a daily basis. Are the machines producing your most profitable items grouped together? Are your accountants searching through **jumbled spreadsheets** in order to find accurate numbers? Are areas and objects appropriately labeled so that the efficiency of their use can be maximized?

What’s the goal?

To arrange all processes of your business (production lines, file storage, shipping routes, etc.) in a manner that is more efficient than how they were previously organized.

The right manufacturing ERP provides a method for storing and organizing items, builds, accounts, and other crucial data. Many manufacturers currently rely on manual organizational methods that strain their workforce. Centralization and accessibility are the two main qualities that help achieve those goals.



A manufacturer of air gun pellets adopts Striven as their ERP solution, decreasing their inventory counting time by 90%. [See how.](#)

An illustration on the left side of the slide depicts a stylized mountain range. A path leads up the mountain, with a paper airplane flying above it. Several people are shown in various stages of work: one person is placing a large orange puzzle piece, another is looking through a telescope, and others are working on a laptop or climbing a ladder. The background is a mix of green and grey tones.

Shine (seiso 清掃)

Finding the right place for everything isn't easy. At this stage, your employees should start to notice daily process improvements. Now that you're more efficient and clutter-free, you have to try and keep it that way.

What is it?

Installing new methods and processes in your organization is only the beginning—it takes diligence and commitment every step of the way, every day.

What can I do?

To put it simply, stay true to your process. Commit to the ways that you sorted and set your processes, and continue to fine tune them. Start each day with tidying them up, and end each day committed to them.

What's the goal?

Fine tune and hone the processes that you've established. While this 'S' stands for 'Shine', the word 'Sweep' could also be applied. Your objective here mirrors your objective when picking up a broom—keep it tidy.

If you have created an organizational method, make sure to clearly communicate it throughout your business. Each employee should understand and be accountable for the role they play in keeping processes running smoothly.

“Clutter keeps us focused on all the things in our lives. But, getting things only brings us momentary pleasure.” -[Dr. Michael Schulein](#), Psychologist, Marshfield Clinic Health System



Standardize (seiketsu 清潔)

*For a process or procedure to become truly standard, it needs to be consistently and thoroughly reinforced. This starts from the top down, but it **takes a team** to make it happen.*

What is it?

In standardizing your processes, you are making them a habit for you and your employees. No longer are they just mantras and mandates written on a mission statement—they are values that are acted upon daily.

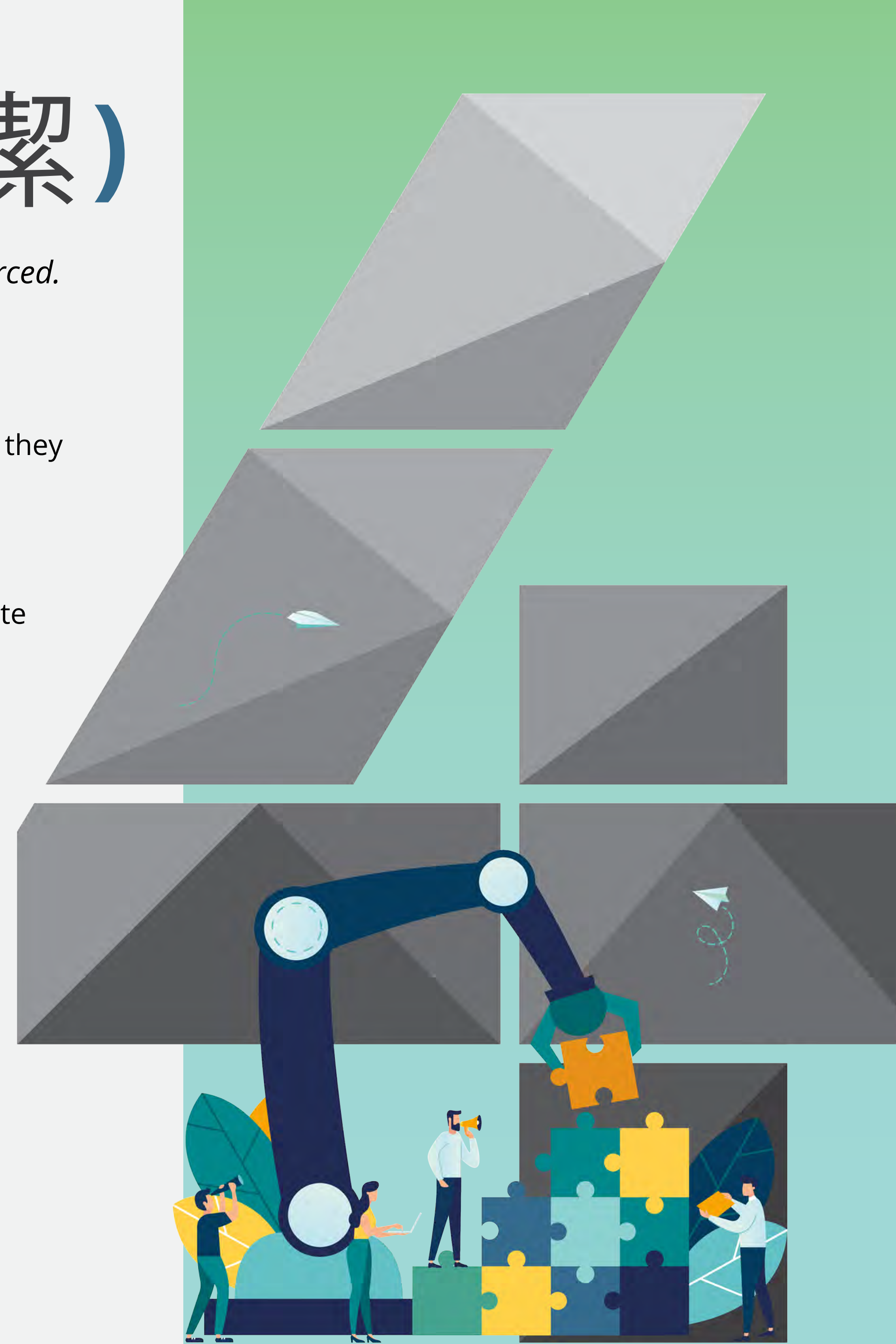
What can I do?

Keep everyone involved, and gather feedback and input from your employees. Not only will they appreciate the transparency, they'll feel empowered from their inclusion in the process. Positively reinforce actions that stay true to the methods, and communicate clearly and productively when their actions do not.

What's the goal?

To establish protocols and procedures to keep the 5S method on track. Really, it's taking everything you've done so far and turning it into a sustainable, reliable, and actionable routine. Don't let bad habits form.

Possibilities for automation and custom field categorization in ERP software can help you put the right heuristics in place, making it easier to follow the processes you've established. Cross-divisional communication also plays a crucial role in maintaining efficiency. Managers must be able to **assess productivity** and communicate changes easily. Similarly, collaboration between the back office and the shop floor can be done entirely via your software platform.



27% of manufacturers expect to increase their revenue **by more than 10% a year.**

Sustain/Self-Discipline (shitsuke しつけ)

At their peak, policies and procedures aren't just words on a document—they're beliefs ingrained into your company's culture. If your employees buy-in, they—and your company—will succeed.

What is it?

Establishing new norms. The core tenants of the 5S method should be second nature, and should be a crucial part of establishing the next generation of talent.

What can I do?

Establish training sessions so that compliance to your methods can remain intact. Make sure that your veteran employees stay sharp too—they will benefit from training new and younger employees.

What's the goal?

To pass the torch onward. You and your peers have established functional, flexible and efficient methods of success. Continue to follow your routines, and ensure the next generation of employees is ready to seamlessly follow suit.

Consider how your software can create the kind of culture that facilitates learning and collaboration between veteran and new employees. Internal newsfeeds, company postings, and **project management tools** can all facilitate better communication and the kind of team-building that leads to an engaged workforce that's supportive of your mission.

More than 1/3 of workers would pass up on a perfect job if the culture was not a fit for them.



Safety (anzen-sei 安否)

Workplace safety has always been a relevant concern, but it has taken on an entirely new meaning in 2021.

What is it?

Workplace safety takes many forms. It's not just protecting employees from machinery and chemicals anymore—it's about wearing masks, health screenings, and structural changes.

What can I do?

Stay diligent about health and safety. If you see a mask-wearing violation, do not hesitate to address the situation. Hold compliance seminars to address questions or concerns.

What's the goal?

To maintain a healthy, accident-free, virus-free workplace.

Health considerations aside, if your employees are sick with COVID-19, they cannot perform their tasks. Your employees will relish the opportunity to work in a place that truly cares about their well-being.

Communicating compliance updates is crucial to maintaining workforce safety in Industry 4.0. Start with what's standard: you should be storing machinery inspections and employee-certified skills in your ERP. Accessibility of this information is key to understanding that your equipment is functioning properly and that your workforce maintains the proper training to use it. From there, make sure your employees have an easy way to communicate health issues or violations they notice with management. Robust manufacturing ERP software can facilitate this communication in a way that allows it to be stored and revisited. Losing vital messages to email inbox overflow is no longer an option for the manufacturer who values safety and compliance.



Working sick costs the national economy **\$234 billion** annually in lost productivity.

Conclusion

In manufacturing, being efficient leads directly to profitability. As 6S manufacturing demonstrates, proper organizational methods, optimized processes, and clear cross-divisional communication standards all play central roles in creating and maintaining efficiency.

As your business continues to adapt to Industry 4.0, taking stock of your software is increasingly important.

Knowing that you have the right solution to support your customized processes can help secure your future. ERP software has been helping manufacturers for decades, but advances in cloud computing and ERP system structure have moved it far beyond an on-premise/cloud dichotomy. Detail and customization are now essential considerations in your software choices.

For more information about how cloud ERP software can support your business in maintaining strong 6S practices, get in touch with our business analyst team today.

Contact Us

