



THE TIMES 100

BUSINESS CASE STUDIES

Teacher guide

Just-in-time - Aldi

Where does the lesson fit?

This session would fit in a Production or Operations Module following a general introduction to lean production.



Suggested resources & activities related to JIT and Aldi

- Full Aldi case study
- Just-in-Time PowerPoint
- Lean production lesson resources
- Aldi crossword
- Aldi word search

Suggested timings for the session

10 mins	Starter e.g. Aldi crossword
5 mins	Use the JIT PowerPoint to discuss the topic
5 mins	Read the case study
10 mins	Questions
20 mins	Task – poster
10 mins	What have you learned?

Answers to questions

1. Just-in-time stock control is an efficiency concept used in lean production.
What is lean production?
Lean production refers to the range of measures that can be put in place in the workplace to help reduce waste.
2. Describe Just-in-Time?
Just-in-time is a stock control method that keeps stock holding to a minimum by having stock delivery just when it is needed i.e. just in time.



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3. JIT is often used in manufacturing organisations. Explain how Aldi, a service organisation, uses Just-in-Time stock control:
 - Only buys the stock it requires at any given time
 - Keeps warehousing space to a minimum
 - Has stock delivered in display ready cases
 - Some stock sold straight from pallet
 - Merchandising is speedy, from delivery to being positioned in the correct place in the store.

4. Analyse the benefits of using JIT to organisations like Aldi:
 - Costs of storage is kept to a minimum
 - Less chance of stock perishing or going out of date – particularly important when dealing with food which has a certain shelf life
 - Working capital is not tied up in too much stock – this can benefit an organisation's cash position
 - Revenue is generated quickly after stocks are purchased
 - Reduces the risk of buying in a lot of stock that customers don't buy
 - Cost savings can be passed on to the customer in the form of lower prices – part of Aldi's marketing strategy.

What have you learned?

Expected learning is likely to include:

- Definition of lean production
- Definition of JIT
- Examples of how JIT can be used in both manufacturing and service industries
- Benefits of JIT
- Limitations of JIT