



**THE TIMES 100**

**BUSINESS CASE STUDIES**

## Teacher guide

### Lean production - Aldi

#### Where does the lesson fit?

This session would fit in a Production or Operations Module to introduce the concept of lean production and the different methods firms can adopt to become 'lean'. It could be followed by more in-depth sessions of each of the different methods, such as Just-in-Time.



#### Suggested resources & activities related to lean production and Aldi

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

#### Suggested timings for the session

10 mins	Starter e.g. Aldi word search
5 mins	Use the Lean Production PowerPoint to discuss the topic
5 mins	Read the case study
10 mins	Questions
25 mins	Task – tracking an average day
5 mins	What have you learned?

#### Answers to questions

1. 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. List the efficiency concepts that underpin lean production?
  - Just-in-time stock control
  - Time based management
  - Kaizen (continuous improvement) and TQM
  - Cell production



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3. Explain why having a multi-skilled workforce helps increase Aldi's efficiency. As workers are multi-skilled they can carry out a range of tasks within an Aldi store. This means they are flexible workers and can carry out tasks whenever they need doing. Employees should always have something to do throughout the day. This reduces the number of workers required, thereby reducing costs. These costs can be passed on to the customer in the form of price savings.
  
4. Analyse why lean production is particularly important for Aldi. Aldi differentiates from its competitors through its pricing strategy. Prices are sometimes up to 30% lower than its rivals. In order to be able to offer such low prices it must keep its own costs down through such things as greater efficiency and economies of scale. Lean techniques are ways that Aldi can reduce wastage, increase efficiency and reduce costs.

#### **What have you learned?**

Expected learning is likely to include:

- Definition of lean production
- Lean production principles/methods
- Benefits of lean production