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# Integration of Taguchi's Robust Parameter Design Approach in a Mature Lean Manufacturing Environment - The Case of the Apparel Industry

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## **Abstract**

It has been documented in the literature that combining overlapping manufacturing practices lead to superior performance. The primary driver of this study is the conceptual overlap the researcher identified between the zero waste proposition in Lean and the zero defects (loss to society) proposition in Taguchi's Quality Philosophy (TQP); TQP provides the backbone of Taguchi's robust parameter design (RPD) approach, a statistically driven experimental method that enables engineers to identify optimum design parameter settings to make the product's functionality robust against the background variables (noise). This study hypothesises that Taguchi's RPD approach complements Lean. This overall hypothesis was examined in two phases.

First, through the literature, the researcher hypothesised the theoretical relationships between TQP and Lean, through the mediating role being played by Continuous Improvement to explain Manufacturing Outcomes. This model was tested through Structural Equation Modelling using data collected from 318 respondents in 31 apparel manufacturing factories belonging to a mature Lean organisation in Sri Lanka. The researcher found that the model was a good fit to data (e.g. RMSEA = 0.047), which suggested that her hypothesised theoretical model is tenable and that TQP is acceptable to Lean practitioners as an avenue to improve manufacturing performance.

Next, the researcher examined the practical compatibility between Taguchi's RPD approach and Lean through extensive fieldwork in one of the factories in the Lean organisation. The work involved conducting RPD experiments to solve a substantial quality problem, (which helped the researcher to identify the merits and demerits of Taguchi methods) and also permitted ethnographic engagement with the factory staff. This enabled the researcher to explore the drivers and restraints of integrating Taguchi's RPD in the setting studied. The merits of Taguchi's RPD were found to be the high degree of standardisation, ease of conducting the experiment and analysing the data, and compatibility with the Lean culture. The researcher identified 5 drivers (also 3 inhibitors) out of which, the most influential drivers were: (a) the experienced ineffectiveness of the existing tools and techniques being used, (b) non-value adding activities associated with machine setting up, and (c) conduciveness to conduct large Taguchi style experiments. Using Force Field Analysis as the theoretical framework, the researcher explained how Lean organisation, similar to the one being considered, can move towards using Taguchi's RPD as a tool for process improvement. The study identified several future research directions for practitioners and academics.

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#### **List of Acronyms**

AIAG American Automotive Industry Action Group

AMOS Analysis of Moment Structures

ANOVA Analysis of Variance AQL Acceptable Quality Level

CBSEM Covariance Based Structural Equation Modelling

CFA Confirmatory Factor Analysis

CFI Comparative Fit Index
CI Continuous Improvement
DoE Design of Experiments

LHS Left Hand Side

LSL Lower Specification Limit
MSD Mean Square Deviation
MSE Mean Square Error
NFI Normed Fit Index
NPP Normal Probability Plot
OA Orthogonal Array

PCA Principal Component Analysis

PCLOSE The Closeness of Fit PDCA Plan-DO-Check-Act

PLSBSEM Partial Least Squares Based Structural Equation Modelling Approach

QA Quality Assurance
QCO Quick-Change-Over
QI Quality Improvement
RD Robust Design
RE Robust Engineering
RHS Right Hand Side

RMSEA Root Mean Square Error of Approximation

RPD Robust Parameter Design SD Standard Deviation

SEM Structural Equation Modelling

SNR Signal-to-Noise Ratio SPI Stitches Per Inch

TMC Toyota Motor Corporation
TPS Toyota Production System

TW Toyota Way

USL Upper Specification Limit

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