

A Mixture of Discipline and Italian Passion



Porsche Consulting Italia considers the Biesse Group in Pesaro on the Adriatic one of its benchmark customers, as it has shown that lean management principles can work even in a country famed for la dolce vita. All cultural barriers have been broken down. Thanks to German determination, Japanese methods and Italian passion, the manufacturer of machinery for processing wood, glass and stone has been able to reorganize itself into a lean company.

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Biesse Chairman Roberto Selci on his experience with lean processes: “We suddenly realized that anything is possible. We can do anything.”

Eduardo is not yet a year old, but already a presence in the company. When Chairman Roberto Selci starts the computer in his office in the morning, his son smiles back at him from the monitor—a photo of his heir is the desktop background. Selci is a family man who lets his heart do the talking. And he doesn't shy away from emotion, as could be seen in his last advertising campaign, which caused quite a stir. Androids—friendly, almost-human robots—were seen processing wood. “We, too, instill our products

with emotions,” says the owner and chairman of Biesse Group in Pesaro, Italy.

His message has resonated across the world. The company, founded in 1969 with the creativity and talent of Roberto's father Giancarlo Selci, supplies machinery for processing wood, glass and stone—as well as the control units to go with them—to over 100 countries. The company's satisfied customers include furniture and kitchen manufacturers such as IKEA and Scavolini.

The reason is clear: Biesse places a high priority on innovation in its own products. Some 3.8% of turnover is reinvested in research and development. Biesse employs 2,400 people at 30 locations and the company has been listed on the Milan Stock Exchange since 2001. Is it a never-ending success story?

At the turn of the millennium, Roberto Selci started having doubts. “Our factory was nice and small, and for that reason very efficient,” the Italian recalls. “Then we rebuilt the factory, became a lot bigger and had a lot of

space—all of a sudden our efficiency was gone.” He wanted to make the factory leaner and hired experts on lean management, but it didn’t work. All the same, Selci had another go. 2006 was one of Biesse’s most successful years, and the boss took it as a sign. “I thought to myself, now that we are no longer under pressure we should give it another try.”

That was when Porsche Consulting Italia came in. Biesse became one of the first customers and a benchmark for the new and, at the time, only subsidiary of Porsche Consulting, headquartered in Milan. “We live and breathe Porsche culture here in Pesaro,” says Principal Simone Cigada. Roberto Selci’s eyes were opened when, together with his management staff, he took part in a seminar at the Porsche Akademie and visited the sports car manufacturer in Zuffenhausen. “I saw for the first time how a lean factory really works.” Everything in Pesaro was then questioned. They switched from cell production to flow production, integrated their suppliers and restructured development and other indirect areas. They also introduced a process-oriented organizational structure following the principles of lean management, and have their own ten-man organization working on a continuous improvement process.

Biesse has followed Porsche Consulting’s example and inspiration and now has its own lean management academy. Simulations are used to train staff in just-in-time principles. As Simone Cigada says, “We have achieved company-wide cooperation. Everything is starting to flow, from the development to the production of ten-ton, twelve-meter machines. Our company is the best example of how German determi-

nation, Japanese methods and Italian passion lead to success.”

But was there always so much enthusiasm? Roberto Selci takes a deep breath. “My father’s background is in production. But I come from sales, and all of a sudden I had to standardize work procedures and reorganize production. That was a problem.” When comparing this success to the failed attempt in 2001, Selci says “You need to have the right consultants, people who provide a living example of lean management principles.”

Moreno Grasso, the driving force in the continuous improvement organization, also reports that he was skeptical to begin with, but quickly came around to the idea. Staff have learned and internalized important lessons that help them overcome everyday working problems. “We’re very good at making rules and then trying to get around them,” says Grasso, “but that doesn’t work with lean management. Everyone knows what has to be done.”

Lean management principles have helped Biesse to increase productivity by 30 percent while decreasing throughput times by up to 50 percent, surface area by up to 40 percent, stocks by up to 25 percent and reworking by up to 40 percent. Selci is convinced that these results are only the beginning. “We expect further improvements from our new product family, which was developed using lean management methods.” Stefano Bartolini, who is responsible for production and is thus the company’s “industrial heart,” is enjoying the new advantages: “Production control has become easier and our suppliers also find it easier to plan. Supply reliability has improved greatly and we are now able to produce in model mix.”

Once the changes were implemented in production, any lingering doubts Roberto Selci may have had were gone. Enough space was saved to abandon plans for the construction of a new production plant. “That saved us making a large investment, and we suddenly realized that there was nothing we couldn’t achieve and anything was possible.”

The company on the Adriatic has been turned around 180 degrees, everything has changed. Or almost everything. Just not the canteen. The company chef is renowned for serving the best fish in the region. There’s nothing a consultant can do to optimize that. ←

More about the Biesse Group

Family business for manufacturing machinery for processing wood, glass and stone, as well as the associated control programs.

- ▶ *Founded: 1969*
- ▶ *Employees: approx. 2,400*
- ▶ *Headquarters: Pesaro, Italy*
- ▶ *Other production plants: Novafeltria, Alzate Brianza, Bergamo, Ravenna (Italy) and Bangalore (India)*
- ▶ *Locations: 30 in Europe, Asia, the USA, and Australia*
- ▶ *Sales: to over 100 countries*
- ▶ *Turnover 2008: 454.3 million euros*