

IMPROVING PROCUREMENT EFFICIENCY AT AUMOVIO SYSTEMS UK LTD USING LEAN THINKING

INTRODUCTION

IN THE CONTEXT OF AUMOVIO SYSTEMS UK LTD, THE STORES DEPARTMENT IS A CRITICAL PART OF THE BUSINESS, ENSURING THAT IMPORTED COMPONENTS ARRIVE CORRECTLY AND THAT GOODS ARE DISPATCHED EFFICIENTLY AND ACCORDING TO SCHEDULE. IT IS HIGHLY SUSCEPTIBLE TO WASTES SUCH AS UNNECESSARY TRANSPORTATION, WAITING, DEFECTS, OVERPRODUCTION, INVENTORY, EXTRA PROCESSING AND NON-UTILIZED SKILLS. LEAN THINKING IS A MANAGEMENT PHILOSOPHY FOCUSED ON MAXIMISING CUSTOMER VALUE WHILST MINIMISING ASPECTS THAT DO NOT CONTRIBUTE TO THE FINAL GOAL. THESE ASPECTS ARE CATEGORISED AS 'WASTES'. I WILL APPLY THE WASTES TO THE AREA OF STORES TO IN DEPTH EXAMINE WHAT STRATEGIES COULD BE IMPLEMENTED TO MAXIMISE EFFICIENCY AND REDUCE WASTE. "LEAN THINKING IS A BUSINESS MANAGEMENT FRAMEWORK MADE UP OF A PHILOSOPHY, PRACTICES AND PRINCIPLES WHICH AIM TO HELP PRACTITIONERS IMPROVE EFFICIENCY AND THE QUALITY OF WORK. LEAN THINKING ENCOURAGES WHOLE ORGANISATION PARTICIPATION. THE GOAL IS TO ORGANISE HUMAN ACTIVITIES TO DELIVER MORE BENEFITS TO SOCIETY AND VALUE TO INDIVIDUALS WHILE ELIMINATING WASTE". WIKIPEDIA, 2020.

9 Wastes	
Defects	Products or services that require rework or must be scrapped.
Overproduction	Producing more components than required.
Waiting	Idle time whilst machine workers await materials or information.
Non-utilized skills	Not using employees' skills and creativity towards their tasks, missing opportunities, and room for improvement.
Transportation	Unnecessary movement of materials and products.
Inventory	Excessive stock or raw materials that aren't required.
Motion	Unnecessary movement of staff, such as walking, reaching, and searching, causing fatigue and inefficiencies.
Extra processing	Doing extra work or having higher quality products/services than required by consumer.
Behaviour	Ranging from dysfunctional company behaviour to not adapting to modern technologies.

References

Relay. 2025. Provide Proper Training to Boost Employee Engagement. Accessed on 22nd March 2026.
Available at: [8 Proven Ways to Improve Factory Productivity - Relay](#)

Wikipedia. 2020. Lean Thinking. Accessed on 24th March 2026.
Available at: [Lean thinking - Wikipedia](#)

Workerbase. 2025. The Ninth Waste of Lean Manufacturing. Accessed on 24th of March 2026.
Available at: [The Ninth Waste of Lean Manufacturing: Innovation Debt](#)



I have chosen the stores department to investigate how it could be improved by applying lean thinking. The 9 wastes that contribute to this department are as listed below.

- Overproduction
- Waiting
- Non-Utilized Skills
- Transportation
- Inventory
- Motion

Proposed Improvements

After Identifying and Quantifying the Wastes within the stores department, it is clear that many areas need improvement. Issues such as these are resulting in costly expenses that can be avoided. "Currently, an estimated 61% of employees deal with symptoms of anxiety, anger, depression, fatigue, aches, etc. related to their workplace." Relay, 2025.

To reduce overproduction, we could introduce procedures such as reducing safety stock if data supports it and review minimum and maximum stock based on the actual consumption of the part. This would reduce dead stock build up and there would be less temptation to over-issue items.

To improve on waiting, we could improve stock accuracy by labelling bins and pallets better and racking signage. We could introduce standard procedures for issuing items and have clearer communication between departments. This would ensure a continuous workflow.

Stores staff should be included in process improvements as they often know the issue well. This would beat non-utilized skills/talent and increase ownership of processes. Weekly meetings for ideas and suggestions on how to make processes more efficient.

Transportation waste is unnecessary waste. Parts are being shifted constantly, due to layout issues. One way we can reduce transportation is creating a more efficient layout for stored goods. Making sure everything is labelled and scanned in to specified places will excessively reduce transportation wastes.

Within the stores department, we have much more stock than needed. This is due to overproduction and cancelled orders. To improve on this, we could look at reviewing minimum and maximum stock levels as countless issues come from old or incorrect stock levels. We could also look at removing obsolete and dead stock that we no longer have a purpose for.

To improve on motion waste, we can look at strategies such as re arranging items based on frequency of usage. This would prioritise certain components, making it easier for picking. We could also improve the layout to reduce walking distances as some components are spread throughout the site. At Aumovio we have two megalifts, these reduce motion waste by an excessive amount and also makes picking a much easier process. By installing 2-3 more this could cover our stock levels and reduce wasted time and motion.

Digital solutions like Connected Worker platforms empower manufacturers to tackle all nine wastes of lean manufacturing head-on. (Workerbase, 2025).

