

Panasonic Boosts Workforce Productivity 33 Percent Using Immersive Workstyle Innovation Platform, “Virtual Obeya”

Executive Summary

CUSTOMER

Panasonic Plasma Display Co., Ltd.

INDUSTRY

Manufacturing

CHALLENGES

- Increase profits for plasma display business, which have been declining due to increased competition in the consumer television market

STRATEGY

- Develop a roadmap to help reduce technology costs, simplify devices, and streamline product-development processes
- Start with R&D: address knowledge-worker productivity by analyzing operational processes, identifying improvement opportunities, developing and implementing effective measures, and verifying results
- Interview business-operations employees to analyze processes and determine employee values; develop effective measures based on improvement opportunities; and implement strategies

SOLUTIONS

- “Virtual Obeya” immersive, interactive video display platform for creating/sharing documents/video, and for real-time collaboration

RESULTS

- 33 percent gain in workforce productivity; 25 percent reduction in total workforce hours

Background

Panasonic Plasma Display Co., Ltd. is a high-tech manufacturer based in the Japanese cities of Osaka and Amagasaki. The company (a division of Matsushita Electric Industrial Co., Ltd. and diversified chemical group Toray Industries) develops and manufactures plasma displays, television sets, and related components worldwide. Due to increased competition globally, Panasonic began experiencing a decrease in profits for its consumer plasma display business. In response, the company realized that it needed to retarget its market.

Challenges

The consumer television business is highly competitive. Panasonic, a market leader, was suffering from declining profit margins for its plasma display business. To address this, the company decided to target the business-to-business (B2B) market, with a focus on interactive plasma displays.

Achieving this, however, required a strategy that would help reduce technology costs, simplify devices, and, just as important, streamline the product development process. For example, information gathering, document preparation/sharing, and collaboration among R&D and other engineering teams consume large amounts of time without creating much value.

Strategy

Panasonic asked Cisco® Consulting Services to advise the company on a strategy that would improve productivity and drive future growth. Cisco started by analyzing knowledge-worker productivity based on value-added analysis from the perspectives of internal Panasonic workgroups. R&D was chosen initially.

Cisco Consulting Services addressed knowledge-worker productivity by:

- Analyzing operational processes

- Identifying improvement opportunities
- Developing and implementing effective measures
- Verifying results

The project team categorized every activity by the R&D team into those that create value for internal customers (employees) and those that do not (such as performing redundant work), and then eliminated the non-value-added activities. Cisco Consulting Services also recommend that certain improvement measures be applied based on workstyle innovation¹ principles, such as providing quality at the source, to transform the way work is conducted.

With further help from Cisco Consulting Services, Panasonic conducted a fundamental review of its operation from the perspective of R&D's internal customers. To study, determine, and conduct the measures necessary for successful business transformation, the project team asked customers who perform business operations to analyze processes and employee values, develop effective measures based on improvement opportunities, and then implement strategies. This request was based on the principle of respecting an employee's sense of ownership, which is a core element of the project team's methodology. In addition, information and communications technology was utilized to ensure viability.

Solutions

Based on the findings, Cisco Consulting Services recommended an immersive, interactive video display solution that would allow R&D to share documents and video, and collaborate in real time. Called "Virtual Obeya" (or, War Room), the solution consists of multiple 103-inch, ultra-large, high-definition interactive Panasonic plasma displays connected via Cisco WebEx® and TelePresence® technologies. The screens help to create an immersive environment that gives the team a sense of being there in-person.

The interactive plasma displays enable engineers to annotate and document data, and then share their work in a collaborative environment among remote War Rooms. Currently, Panasonic has two such rooms: one each at the company's facilities in Osaka and Amagasaki.

Results

Virtual Obeya was piloted for three months, from April to June, 2013. In such a short period of time, the solution has already had a significant impact on transforming the way R&D works. For example, engineers used to spend hours traveling to company plants to inspect work or hold meetings. Now, they can conduct meetings on-site in a virtual environment with remote teams. By streamlining these, and other, R&D processes, Panasonic realized a 33 percent improvement in workforce productivity and a 25 percent reduction in total workforce hours.

"...we are aiming for continued growth of our business by shifting toward business-to-business markets with a focus on the interactive plasma display, and by fundamentally streamlining our operation. Virtual Obeya has achieved significant results by enabling the existing workforce to conduct a wider range of operations."

Kiyoshi Shirato
President and CEO,
Panasonic Plasma Display
Co., Ltd.

Kiyoshi Shirato, president and CEO of Panasonic Plasma Display Co. Ltd., said, "In this challenging environment of the consumer television business, we are aiming for continued growth of our business by shifting toward business-to-business markets with a focus on the interactive plasma display, and by fundamentally streamlining our operation. Virtual Obeya has achieved significant results by enabling the existing workforce to conduct a wider range of operations."

Next Steps

Panasonic confirmed that Virtual Obeya is a credible use case for the company's interactive plasma display business for the B2B market. The company plans to share this success not only within Panasonic but also with other organizations worldwide.

Endnote

1. "Workstyle Innovation: A Proven Methodology for Productivity Improvement and Organizational Effectiveness," Cisco Internet Business Solutions Group (IBSG), September, 2012, <http://www.cisco.com/web/about/ac79/docs/mfg/Workstyle-Innovation.pdf>



Americas Headquarters
Cisco Systems, Inc.
San Jose, CA

Asia Pacific Headquarters
Cisco Systems (USA) Pte. Ltd.
Singapore

Europe Headquarters
Cisco Systems International BV Amsterdam,
The Netherlands

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at www.cisco.com/go/offices.

Cisco and the Cisco logo are trademarks or registered trademarks of Cisco and/or its affiliates in the U.S. and other countries. To view a list of Cisco trademarks, go to this URL: www.cisco.com/go/trademarks. Third party trademarks mentioned are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (1110R)