



Washington Manufacturing Services

Solutions for Lean Performance Management

Public Sector Performance Conference 2004

Making Lean Stick

October 18, 2004



**Washington
Manufacturing
Services**
Solutions for Manufacturing Excellence

Making Lean Stick

**"Lean Out" Your Processes
to Improve Performance and
Reduce Costs**



Who is WMS?

A statewide, not-for-profit independent resource center providing fee for service consulting in business performance management, and process technology to small and midsize manufacturing companies.

WHY WMS?

Success in achieving organizational performance improvement

Typical Lean Project Approach Results

- Labor Productivity Improvement 22 to 100%
- Service Delivery Performance 20 to 60%
- Waste Reduction 25 to 85%
- Capacity 10 to 40%
- Throughput 20 to 40%



How is 'Lean' different than other 'process improvements'?

- Lean is not a one step process, but rather a comprehensive collection of management tools that work together to support the organizations mission. These include:
 - **Sponsorship**
 - **Developing Internal Lean coaches**
 - **Inspirational training**
 - **Transition support**
 - **Office Information and Workflow Improvement**
 - **Value Stream Mapping**
 - **Office Workplace Organization and Standardization**
 - **Kaizen Blitz**
 - **One Page Business Planning and Performance Management**
 - **Quality Measurement**



How is 'Lean' different

- No single TOOL solves all problems, but 'lean' integrates many tools to provide a way of looking at process improvement to determine how the process can be improved.
- Separately these individual tools have limited impact on the organization.
- Several critical elements have evolved to ensure the individual tools achieve significant change and long term improvement



What is Lean?

Concept vs. tools

- Lean means ***Speed!***
- Process Cycle Efficiency
- Manufacturing and Service processes

What is Lean?

Goals

- High velocity
- High Quality
- Low Cost
- Min. Investment in Capital



What is Lean?

Key Elements

- Id customer critical-to-quality issues
- Eliminate waste
- Eliminate variation



What is Lean?

Key Message

Focus energy on priority problems that are most directly connected to significant organizational value

What is Lean?

Tools – Manufacturing

- Pull Systems
- 5S
- Total Productive Maintenance
- Setup Reduction
- Value-stream Mapping
- Process Measures
- Process Behavior Charts



What is Lean?

Tools – Service

- PDSA
- Process Mapping
- Process Flow
- Cause and Effect
- Process Measures
- Process Behavior Charts



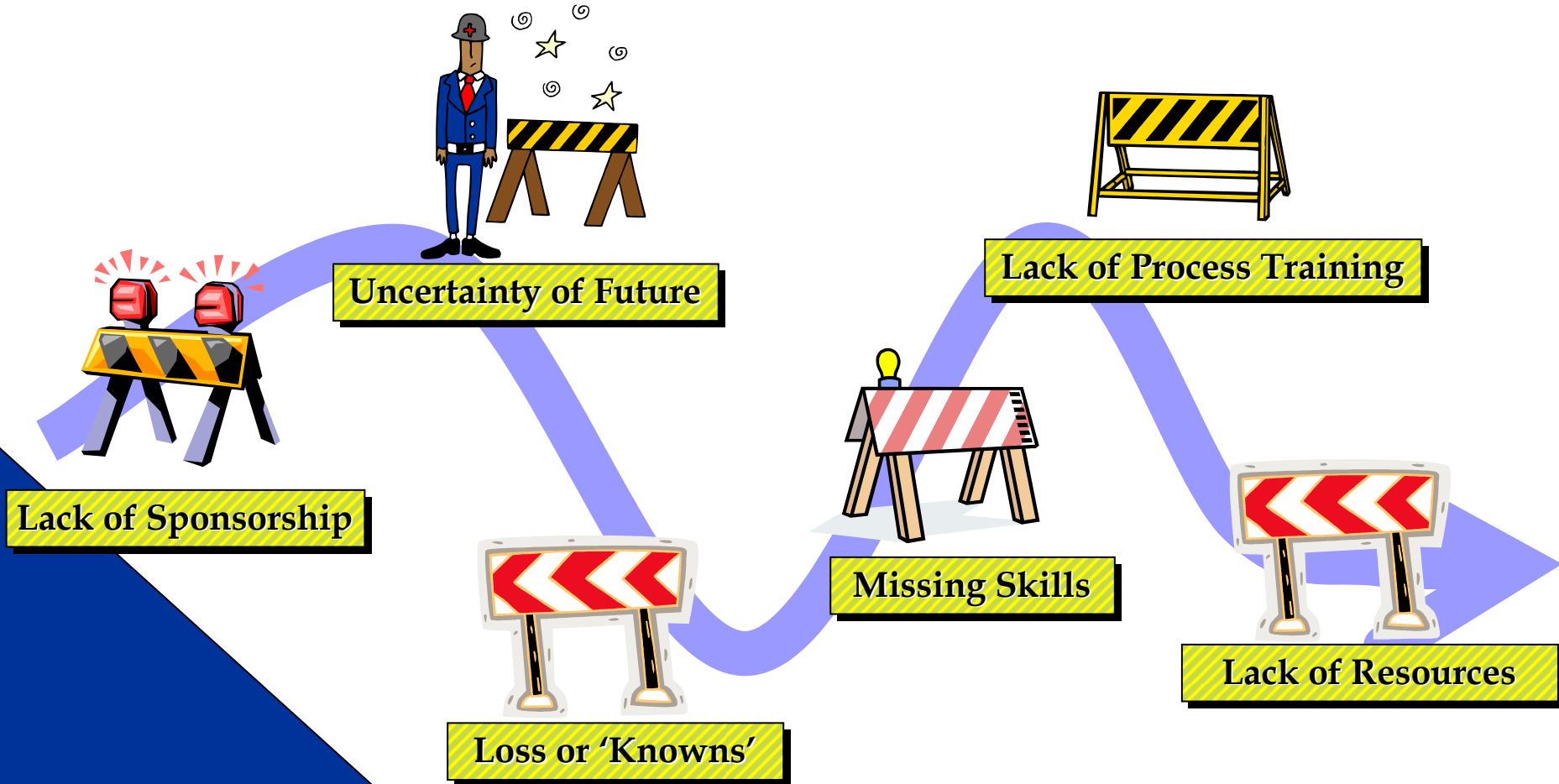
What is Lean?

Tools –

- Find the right hammer!
- Combine the best of both!



Success Barriers for Targets of Change



Making Lean Stick – the Challenge

360vu

- Why end users resist or even sabotage a new process:
 - They resent not being included in the redesign – they had ideas that were overlooked.
 - They resist letting go of what they are familiar and comfortable with.
 - They fear the unknown – they may not be as successful in a new role, with a new boss, or requiring new skills.
 - Their management has not clearly endorsed or supported the new way of doing things.
 - They are unclear as to what is expected of them.
 - They do not have the right job skills.
 - They have been inadequately trained on the new process.
 - They have not been given adequate resources to do the new job in terms of tools, information, working environment, and support.
 - The measurement and rewards structure does not encourage behavior change.



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Making Lean Stick

- Critical Elements
 - **Sponsorship** – the effective use of authority in the organization. Building clarity and eliminating role confusion.
 - **Internal Support**-people who can guide teams through the learning curve into a new paradigm
 - **Inspirational training** – orientation on the big picture of the process redesign, the new role, the support and resources. Training that creates a desire to learn and grow
 - **Transition support** – facilitating associates over the change curve - bringing closure to the past and to their losses; seeing the new possibilities made available by the change



Making Lean Stick

Sponsorship-The roles of change

sponsor

The individual with the authority, decision making power and resources to implement the change.

Vision

Resources

Persistence

Monitoring role



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Sponsorship-The roles of change

agent

The individual responsible for ensuring the change is carried out.

Bring special expertise

Diagnose problems

Develop plans

Execute change



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Sponsorship-The roles of change

target

The individual or group that must perform the change. They are the focus of the change effort

Understand the change

Involved in implementation

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Sponsorship-The roles of change

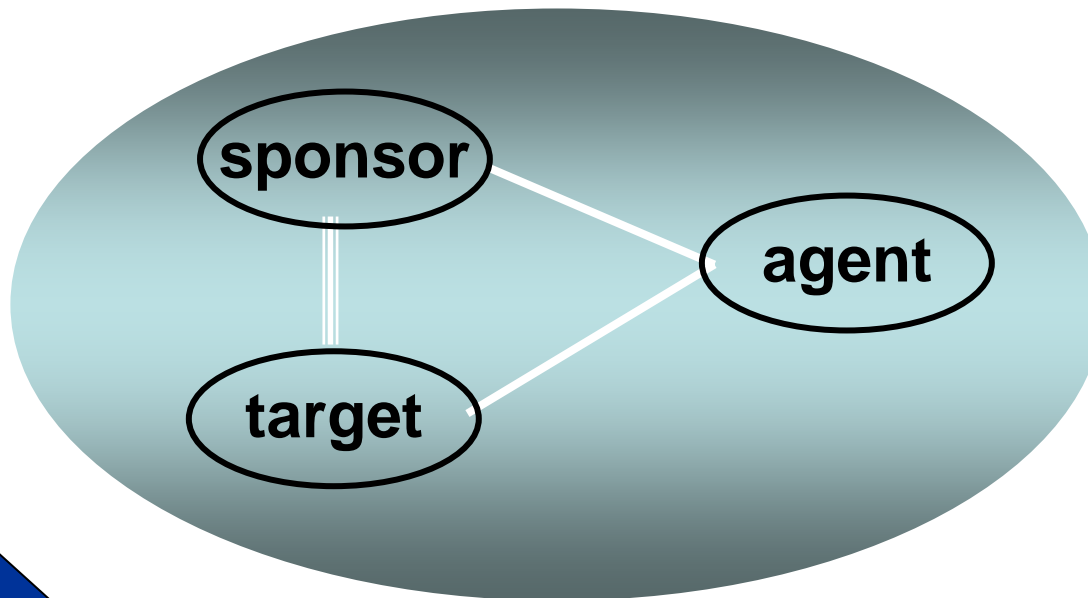
advocate

The individual who wants to achieve a change but lacks the power to sanction it.
Need skills to gain support

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Sponsorship-The roles of change

A system that defines the relationships of change:



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Sponsorship-The roles of change

Sponsor:

- Initiate
- Support
- Monitor

Agent

- Assist
- Communicate
- Maintain relationships

Target

- Understand charter
- Agree to deliver
- Maintain relationships



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A system that defines the relationships of change:

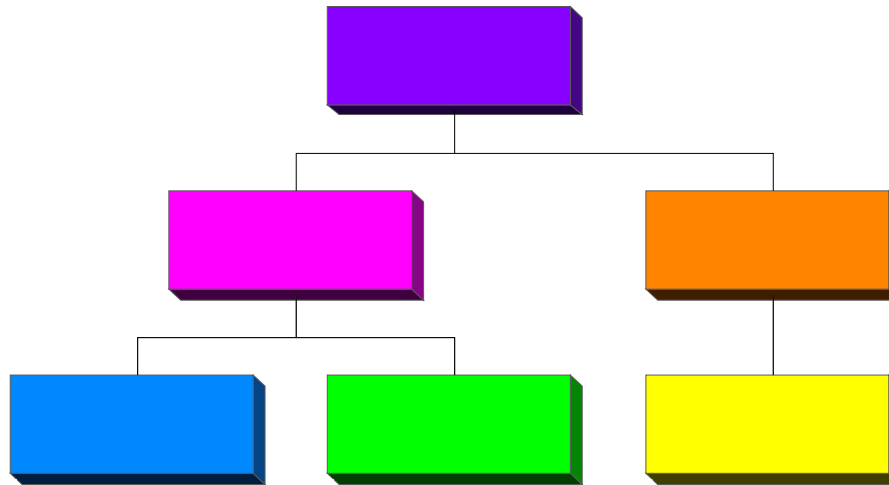
- **Roles are situational**
- **Essential elements:**

Clarity of roles

Commitment vs initiation



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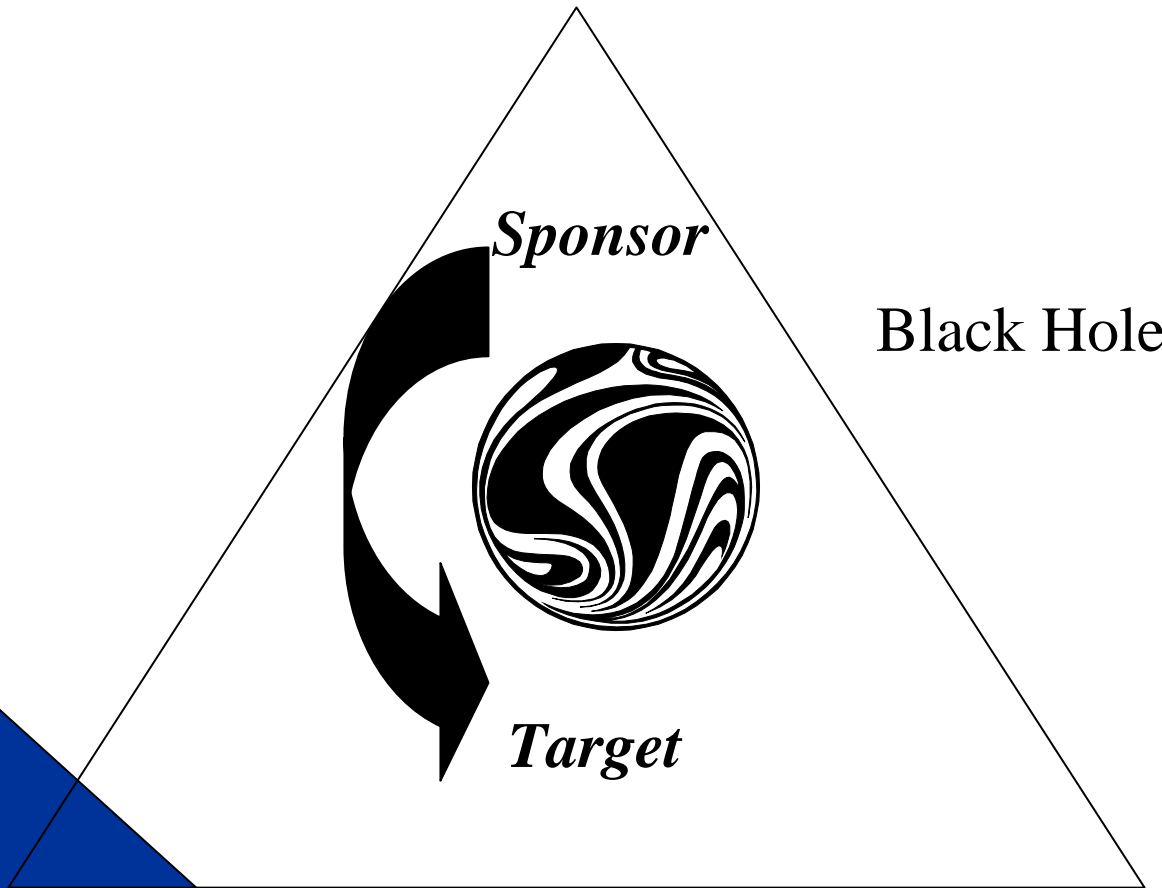


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Common breakdowns:

- Over-delegation
- Over-functioning
- It'll never work here
- Black holes

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Making Lean Stick

Lean:

Accelerate processes by eliminating waste

- Lack of sponsorship
- Loss of customers

Why now?

- POG provides the strategic framework to ask two questions
 - Are we doing the right things?
 - Are we doing those activities right?
- Legislative focus on achievable results