



March 27, 2006
Volume 5, Issue 12

LEAN THOUGHTS

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Creating a Lean Culture

Source: Bob Emilani & David Stec, *Better Thinking, Better Results*

Creating a Lean culture seems very difficult. But it does not have to be that way.

"How do we create a Lean culture?" That's a question we often hear from managers and associates. For years this has been a prime concern of many Lean practitioners. However, focusing on Lean culture as "the answer" can impede people's ability to gain a deeper understanding of the Lean management system and how to improve. Said another way, searching for the secret to creating Lean culture can become a harmful distraction.

Consider a rock-and-roll band. To excel at making good music, each band member must possess several important characteristics:

1. Have a burning interest
2. Be highly motivated
3. Deeply committed
4. Hungry to learn various technical and non-technical aspects
5. Practice relentlessly to gain mastery
6. Develop discipline to sustain daily practice
7. Not forget what they learned in practice when it is time to perform

They must also set realistic but achievable goals, and also be sensible—e.g. quickly stop doing things that do not help them meet their goals. While a band might not become world-famous, band members will likely have a lot of fun along the way. They will also encounter some frustrations, as success usually does not come easily. But bands that do these seven things make it look easy to those of us who have no idea of time and effort that they put in to making good music. Is this the culture of rock bands?

You can easily replace the word "band" with the word "company," and see that the same things would apply if a company wants to become successful in their efforts to practice Lean management. Organizations that practice Lean management well do not possess a mystical culture. Instead, it is the people—the "band members"—that do these seven things.

However, it is common to find managers...

- With an interest in Lean, but not a burning interest
- Motivated, but not highly motivated
- Committed, but not deeply committed
- Interested in learning, but not hungry to learn
- Who practice periodically, but not relentlessly
- Are disciplined when they are in the mood, but not every day
- And forget what they learned in practice when business conditions change

LEAN CONSORTIUM MEMBERS:

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- CGL
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Where "Lean Thoughts" Become Reality

Rather than searching for a secret formula, it is much better to "just do it"—kaizen, the process for continuous improvement that is practiced daily by people at all levels in an organization. Participating in kaizen is the key activity that leads to the formation of new beliefs, which are the foundation for creating a Lean culture. It is also very important to stop doing things that do not help an organization achieve its goal of creating a Lean culture, such as continued use of policies and metrics that contradict Lean principles and practices.

What we see in the companies that practice Lean well is a clear and consistent pattern among managers and associates who have a strong desire to succeed, and also skillfully practice both Lean principles: "Continuous Improvement" and "Respect for People".

The many benefits of Lean management, practiced correctly, are undeniable. However, until people—especially senior managers—possess the seven characteristics listed above, it will be difficult to create a Lean culture and the best examples of Lean management practice will be few. The good news for those that are succeeding is a much brighter future, built on a "customer-first" foundation.

But there is also good news for companies that are not having much success: they can become more successful—though it may require a Board of Directors to intervene and ensure most of the top managers possess the seven characteristics that we have described. The question is: How will they know?

It turns out that in most cases, they don't, and so unfortunately something bad happens. Often the people who get promoted within the first year or two after starting the Lean transformation are the ones with the poorest understanding of Lean principles and practices—though they are usually able to talk a good line. They tend to be people who can reliably "make the month" the old-fashioned way, and thus help the CEO and CFO stay out of trouble.

Top managers often say that Lean is critical to the company's future. If Lean really is critical, then the leading candidates for advancement should be the people who understand Lean best. And it will be among those who regularly participate in kaizen. Promoting the right people will motivate others who do not understand Lean to learn and improve.

Implementing Lean means top managers and Directors must make a clear shift away from tired political-based promotion practices that favour the "good old boys and girls," to a truer meritocracy that advances those who

understand and implement Lean very well. Indeed, this is exactly what happens in companies whose managers possess a very deep understanding of Lean. They recognize that saying one thing—we must all eliminate waste—and doing another—promoting people who don't know how to eliminate waste—is variation; a wasteful inconsistent behavior that adds cost (e.g. causes people to disengage or actively subvert Lean efforts) and does not add value. This is one of many very important aspects of the Lean transformation that are not well understood by most senior managers.

In summary, successful efforts to create a Lean culture are preceded by the seven characteristics we identified. Further, it is essential to improve the criteria for advancement and also ensure that promotion processes are consistent with Lean principles and practices. Doing so would clearly support efforts to create a Lean culture.

Problem Solving and Suggestion Programs

The following is a brief excerpt from a thread transpiring on the NWLean Blog this week

I like Bill's idea of paying a \$1 for every error found.

You must look at every implemented idea as being very good even if it isn't. You must avoid criticism to not turn people "off." The manager has to learn how to turn around bad ideas and help the worker to make them into good ideas. You do this by asking not telling.

A solved problem might create another problem, great! That is what continuous improvement is all about. Kaizen means change, but change for the better, but when you get better you also find new problems to solve.

Lastly, challenge people to implement one improvement idea per week. I was in Mexico a few weeks ago and one employee, Oscar, has implemented 156 ideas, averaging one idea per day.

Best,

Norman Bodek

Go to my web site are www.pcpsress.com

"I believe through learning and application of what you learn, you can solve any problem, overcome any obstacle and achieve any goal that you can set for yourself."

—Brian Tracy





Tour Workshop Conference
 Consortium Event Schedule

January	February	March	April	May	June
<p>T</p> <p>Wednesday 25 Eaton Electrical, contact Joe Fisher, JoeRFisher@eaton.com</p>	<p>T</p> <p>Wednesday 15, CFN Precision, contact Barry Wood, bwood@cfn-inc.com</p> <p>W</p> <p>Date & location TBA Your own "STEP Diagnostic" to create Vision, Mission and Direction Contact Richard Kunst Richard.kunst@la-z-boy.com</p>	<p>T</p> <p>Wednesday 22, Nestle Waters, contact Mariela Castano mcastano@perriergroup.com</p>	<p>T</p> <p>Wednesday 19, CTS Corp., contact Bob Garces, Bob.Garces@ac.ctscorp.com</p> <p>Consortium Shakeshowcase Saturday 22 CTS Corp. Contact Cindy Grolleman cindy.grolleman@stackpole.com</p>	<p>T</p> <p>Wednesday 17, Stackpole CSD, contact Don Barber Don.Barber@stackpole.ca</p> <p>W</p> <p>Date & location TBA "Compartmentalize the Noise" * Daily Report-outs * Standard work for Leaders Contact Richard Kunst Richard.kunst@la-z-boy.com</p>	<p>T</p> <p>Wednesday 21, Morrison LaMothe, contact Tony Vita tvita@morrisonlamthe.com</p> <p>C</p> <p>AME Regional Conference Mon 12 to Thurs 15 K-W Ontario Contact www.ame.org</p>
July	August	September	October	November	December
	<p>W</p> <p>Date & location TBA "Establish Anchors" * VSWI ... Visual Work Instructions * TPM ... Total Productive Maintenance Contact Richard Kunst Richard.kunst@la-z-boy.com</p>	<p>T</p> <p>Wednesday 20, Kraft Foods, contact Hanif Jivraj hjivraj@Kraft.com</p>	<p>T</p> <p>Wednesday 11, Stackpole PMC, contact Cindy Grolleman cindy.grolleman@stackpole.com</p> <p>C</p> <p>AME National Conference Mon 16 to Friday 20 Dallas, Texas Contact www.ame.org</p>	<p>T</p> <p>Wednesday 15, Messier-Dowty, contact Richard Evans Richard.Evans@Messier-dowty.on.ca</p> <p>W</p> <p>Date & location TBA Your own "Get Organized" * 5S+1 Contact Richard Kunst Richard.kunst@la-z-boy.com</p>	