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LEAN THOUGHTS

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Can you be too Lean ??

This week I am heading to our Head Office to participate in a Leadership Conference. Our pre-session homework assignment, was to read the book "Profitable Growth" written by Ram Charan. Not a book that will rock your world but a good refresher of business basics for senior leaders. However reading the book started to make me think can you get too Lean?

I thought it might be a good reminder for readers of Lean Thoughts about a business model that existed in Cambridge several years ago that is worth reviewing ... so apologies to my seasoned readers.

Lean Organizations seek methods that will have the customer do more during the order entry mode. Take for example "Self Serve" gas stations. You can process your entire payment methodology at the pump and in many places in the USA it is mandatory to do so before you get product.

Imagine my amazement, that on a busy intersection in Cambridge where on 3 of the 4 corners are well established gas stations, one station always had a very long line of waiting vehicles while the other had open bays.

Being curious, I had to explore and understand the what was happening, since the price was equal at all of the stations. Here is what I found ... As I entered the station and pulled up to the pump a friendly looking student stood at my car door, forcing me to roll down my window. He asked if I wanted my car filled this morning? Yes I responded ... Would you like a nice cup of hot coffee while you are waiting?, Some Donuts for your you and your team at work?, How about a newspaper which he fanned before me allowing me to select my favorite. He finished the questions with how I would prefer to pay today. As he filled my car, fetched me a coffee, on his hip was the automatic credit card reader used by rental car agencies in busy airports. Within minutes I was away with as fresh cup of coffee, and a newspaper ... of course all the charges were included on my transaction slip. Pretty cool ... seemed like old fashioned service in the new age.

Later that week I happened to find myself at the same service station and met the manager. I complimented him on his customer service he provided to customer's in the morning. As we continued our discussion, he began to explain the business model.

With 3 competing stations in close proximity selling price would be how to secure market share. However to sell for less and not hinder profitability would be a challenge. So the parent company identified that labor cost was the killer of profitability for the service station. Off they went and installed self-serve pumps that would require the customer do all of the work, enter the order, perform the value conversion and compensate the company for their efforts either by paying at the pump or walking into the Kiosk and paying the attendant. What a great business model ... copied by many around the globe.

Here is where this particular service station broke the paradigm using innovation and understanding the true concept of Lean. The manager had observed that by the time the customer had got out of his vehicle, figured out how to work the pump, fill his vehicle and pay for the transaction it took on average 8 minutes. He felt that he could improve his through put by reducing takt time ... but how?

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Where "Lean Thoughts" Become Reality

He already knew that his most busy business periods were between 6:00 and 8:30 am and then again between 4:30 to 5:30pm. He hired high school students during the busy periods to staff the pumps and control the traffic. He then trained them on how to sell the customer "up" with additional customer service. They were trained to change the customer's paradigm by not allowing them out of the car but rather rolling down the window to place their order.

The result was that he was able to increase his through-put by 100% during the busy times and was able to increase his at pump sales by offering convenience to additional items the customer may desire. Oh yeah, his coffee bar in the station was a self serve also, you paid for an empty cup and then allowed to mix your own favorite brew at your favorite pace.

So can you get too Lean? The answer is yes ... we sometimes chase for the perfect process with the minimum amount of labor when at certain times we need to change the business model to focus on a different need of the customer.

For example when I need to fuel the car in the morning on the way to work, everything is micro calculated to maximize my sleep time. However, on the weekend I tend to be more casual about the fueling adventure and may even spring for a car wash as part of the festivities.

UNCLE EARL

Leadership lessons from a contractor

Last week many of us lost a friend, mentor and father with the passing of Uncle Earl. He was reclaimed by God to be with his bride of 53 years ... Ruby.

Earl was well recognized in our community as a building contractor and an outstanding stone mason. He mentored several excellent trades people during his career. During our many times together he shared and taught me many of his leadership qualities.

One thing that remained constant in the building trade was lack of money. Purchasers always struggled with budgets as their appetites became larger than their resources. Compromises were constantly being negotiated ... Rule #1 never compromise on the basic infrastructure, **you need a solid foundation.** Rule #2 **If you cannot do it right ... don't do it.**

Workplace Organization ... he was a stickler for this. He constantly reminded his trades, "**professionals don't work in a mess**" clean up after yourself and keep your tools in excellent working order and organized. To this day, a painter he coached early in his career still follows

This golden rule. Mike and his team arrive at a customer's home, where they will move the furniture, use drop cloths and depart at the end of the day without the customer knowing they were there except for the fresh coat of paint ... even if the job is not completed.

"**Temporary becomes Permanent**", refer to rule #2, never allow for a temporary fix to linger since before you know it, it has become permanent.

Remember who you are and what you are doing ... it is your signature. This is not a job, but rather the building of legacies, show your pride in your workmanship. If you can not give your best, don't bother giving.

Get a trade and keep your trade sharp and you will never go hungry. I remember these words when he taught my son Patrick how to lay brick and stone ... but being a perfectionist made Patrick tear down the stone barbeque he made 3 times until Uncle Earl was happy.

Love Things of Beauty ... Ruby was the most pampered woman and truly loved by Earl. But many times it was necessary to reflect on a project completed and insure that we understood the beauty of the creation just completed or how it complemented the natural surroundings.

Drink and Work don't mix. No matter what the task, it required full mental attention ... work to work and then take the time to play, put your tools down and relax ... don't start to relax during work assignments.

Celebrate for whatever ... never needing a big excuse to celebrate anything it was the joy of kinship and sharing that was more important than the road of life alone.

Just Ask ... Uncle Earl was not a shy person by any means. Many times on one of our exciting field trips we would pull into a strange driveway, with me asking if he knew the occupant. Not yet was a common response but after a few moments they would be like old friends and many lessons were learned.

His most important rule was his famous "JFL" which even adorns his license plate. Many times we would visit a home to complete a task for the owner. At the conclusion Earl would advise them it was "**Just For Love**", **nothing expected ...nothing owed.**

I am sure that it was all of the JFL contributions that made him the rich person that he was. All of those JFL contributions came back to him in his final days. We witnessed many friends and colleagues come to look after him to make sure that he was comfortable, which enabled him to remain in his house until his very final days.

Do a JFL today and make it part of your signature forever ...

Cheers Earl !!



Tour **W**orkshop **C**onference
 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 Shareshowcase</p> <p>Saturday 29 Kraft Oakville. 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 Mike Smith Mike.Smith@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>	