



November 19, 2007
Volume 6, Issue 46

LEAN THOUGHTS

Richard Kunst

Tel: 519 841 0150

E-mail: rkunst@kunstartofsolutions.com Web: www.kunstartofsolutions.com

Lean Culture

Culture

A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems. -Edgar Schein

If you expect to get the promised benefits of lean manufacturing, employees need to understand the vision and behaviours necessary to get there. Without that, your improvement efforts will fall short. With an empowering lean culture, employees can be proactive, energized, and drive rapid continuous improvements, bringing in dramatic bottom-line results.

Companies that have successfully instilled a lean culture consistently realize:

- More innovative, team-directed solutions
- Lower employee turnover
- Better success at sustaining improvements
- Greater numbers of improvement actions

Experts estimate that 80% of becoming a lean enterprise is culture related. An organization's culture dictates how people work, their attitudes toward work and change, their relationships with each other and management, and the way change is introduced, embraced and tackled. Culture is a driver of company health. Any company that wants to make sustainable improvements can benefit from a lean culture.

Having a lean culture means several things; among them is that the company encourages employees to actively seek and act on solutions to problems. To have a lean culture, companies need commitment from the top. Management needs a clear vision of how they want to grow their business. This will help translate the vision so people understand how they can support it.

Employee turnover costs companies between 25% and 150% of that employee's annual compensation, according to the National Institutes of Standards and Technology (NIST). Companies cannot afford to accept turnover as a fact of life. Many organizations fail to involve people in continuous improvement to eliminate waste by implementing programs from the outset. Companies must first stabilize the current workforce through employee-involved improvements.

A few improvements make a big difference; employees are excited about initiating change in the company. People are more a part of the team, and they are more involved in making suggestions and decisions. People are full of great ideas and will see the benefits of improvement, not only for the company but also for them. Manufacturing companies experiencing turnover problems shouldn't hesitate to do something about them. Turnover is costly, and if you can keep your employees at work and keep them happy, it is a big plus. Companies will experience a decrease in turnover expenses in a short period of time.

LEAN CONSORTIUM MEMBERS:

- CFN Precision
- CGL
- CTS Canada
- EATON Cutler Hammer
- KRAFT
- LA-Z-BOY- Residential
- MESSIER-DOWTY
- MORRISON LAMOTHE
- ORENDA
- NESTLE WATERS CANADA
- STACKPOLE



Where “Lean Thoughts”
Become Reality

Lean culture also improves morale. Fixing this problem is difficult but important because improvement projects go nowhere without employee support. Employees need camaraderie with their coworkers, and complaining about work is something that can bring them closer together because they are sharing the same experiences. As we conduct Kaizen events and training, we almost always see that people have a natural tendency to grumble. Once you get them working on solutions, they have less to complain about and the morale improves. A lean culture encourages employees to make suggestions and changes in the company, empowering employees to take control and ownership of their work and make it better. Employees care about their work, their coworkers, and their workplace. Consequently, the company sees improved morale.

Addressing leadership behaviours, from the office to the line, is also a key component of implementing a lean culture. Traditional authoritarian behaviours will not allow you to see the results you want when you want people to think for themselves. Leaders need to do more asking and get people involved in finding solutions.

Making changes is difficult unless everyone is focused on the right goals. It is also challenging to sustain changes unless you work on culture, too. Develop strong internal teams to help steer the company and to evaluate and streamline processes. In many organizations business grows rapidly but improvements are slow to follow. Improvement projects are started but rarely followed through to completion. Successful companies work on teambuilding and internal communication to improve the culture and realize continuous improvement.

“Outstanding leaders go out of their way to boost the self-esteem of their personnel. If people believe in themselves, it's amazing what they can accomplish.”

Sam Walton

Part of revving up your company includes harnessing all the brainpower your employees might otherwise keep to themselves. It takes a good coach to bring this out and foster a continuously learning company.

- Recognize that everything that happens is a learning opportunity and make people aware of that.
- Help employees find answers to questions rather than just giving them answers.
- Encourage people to try new things and take risks.
- Don't nail them if their risks don't pan out.
- Catch people doing something right, praise in public, and criticize in private.
- Give people the tools they need to find their own answers, and to succeed.

Sustaining any changes can be an uphill battle without the right company culture. It is easier, however, to change your culture while putting lean techniques into practice, mainly because it's easier for everyone to see the changes that lean causes in the company. The lean culture, through its team involvement, makes positive changes more evident to all employees. Changing the way a business runs is more than just moving machines: it means working with people too.

Source: David McBride, www.emsstrategies.com

LEAN ON ME

Contact me if you need coaching or facilitation help in the areas such as but not limited to; 5S, Value Stream Mapping, Set-up Reduction, Problem Solving or Policy Deployment and Consortium Development



Employee or Owner

I am always amazed at how companies will not empower employees who run millions of dollars of equipment to make simple decisions. Recently I had to wait in a retail store for over 15 minutes while the employee had to wait for a manager to overwrite and error of less than 5 dollars. The employee was embarrassed and very apologetic ... but the result was initially created by some management system that incorrectly allowed for the incorrect pricing to be put into the system. During the same period an owner came in to work on one of my orders for a client on a Sunday to insure we would have the goods in time for our event ... let me deal with owners all the time ... or is that called leadership?

Consortium Event Schedule



Tour Workshop Conference

January	February	March	April	May	June
<p>T</p> <p>Wednesday 24 <u>Eaton Electrical</u>, contact Joe Fisher, JoeRFisher@eaton.com</p> <p>W</p> <p>La-Z-Boy Corporate Monroe MI February 14 & 15 <u>Enterprise Value Stream Mapping</u> How to use the VSM tools to map admin processes. Contact Richard Kunst for info. Richard.kunst@la-z-boy.com Register at www.ame.org</p>	<p>T</p> <p>Wednesday 14, <u>CFN Precision</u>, contact Paul Kaulback, pkaulback@cfn-inc.com</p>	<p>T</p> <p>Wednesday 21, <u>Nestle Waters</u>, contact Mariela Castano mcastano@perriergroup.com</p>	<p>T</p> <p>Wednesday 18, <u>CTS Corp.</u>, contact Bob Garces, Bob.Garces@ac.ctscorp.com</p> <p>C</p> <p>Lean Design & Development Conference Wed 18 to Fri 20 Chicago Contact www.iirusa.com/lean</p>	<p>T</p> <p>Wednesday 16, <u>Stackpole CSD</u>, contact Don Barber Don.Barber@stackpole.ca</p> <p>Consortium Shareshowcase</p> <p>Saturday 05 <u>CGL Guelph</u>, Contact Cindy Grolleman Grolleman@canada.com or Dave Deskur daved@cglmfg.com</p>	<p>T</p> <p>Wednesday 20, <u>Morrison LaMothe</u>, contact Tony Vita tvita@morrisonlamthe.com</p> <p>C</p> <p>AME Regional Conference Mon 18 to Thur 21 Edmonton, Alberta Contact www.measureupforsuccess.com</p>
July	August	September	October	November	December
		<p>T</p> <p>Wednesday 26, <u>Kraft Foods</u>, contact Hanif Jivraj hjivraj@Kraft.com</p>	<p>T</p> <p>Wednesday 10, <u>CGL Manufacturing</u> contact Dave Deskur daved@cglmfg.com</p> <p>C</p> <p>AME National Conference Mon 29 to Friday Nov 2 Chicago Contact www.ame.org</p>	<p>T</p> <p>Wednesday 14, <u>Messier-Dowty</u>, contact Mike Smith Mike.Smith@Messier-dowty.on.ca</p>	<p>T</p> <p>Wednesday 12, <u>Orenda</u>, contact Brenda McIntosh brendamcintosh@orenda.com</p>