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CREATING LEAN CULTURE: HOW TO APPLY BEST PRACTICES TO YOUR ORGANIZATION

Lean is not ONE thing...

- Lean is a culture of continuous improvement practiced at every level of the organization and by every team.
- Lean is the application of the scientific method of experimentation and study of work processes and systems to find improvements.
- Lean is respect for people. It is respect for the voice of the customer and it is respect for those who do the work, who are “on-the-spot” and are, therefore, the “world’s greatest experts” in their work.
- Lean is the elimination of waste in all its forms. Lean is the ability to distinguish between work that actually adds value to your customers and work that does not. By eliminating waste, you free resources to devote to value-adding activity that serves your customers.
- Lean is a work environment that assures the quality and safety of all work for both customers and staff.
- Lean is a focus on improving the work process and not on blaming people or creating fear.
- Lean is a culture of teamwork, shared responsibility and ownership that cuts through organization walls or silos.
- Lean is a culture that returns the joy to work. Honda speaks of the three joys of buying, selling and making the product. We do our best work when we have joy in our work.
- Lean is flow. Lean is an interruption free process that flows from beginning to end without interruption.

There are two major paths to get there:

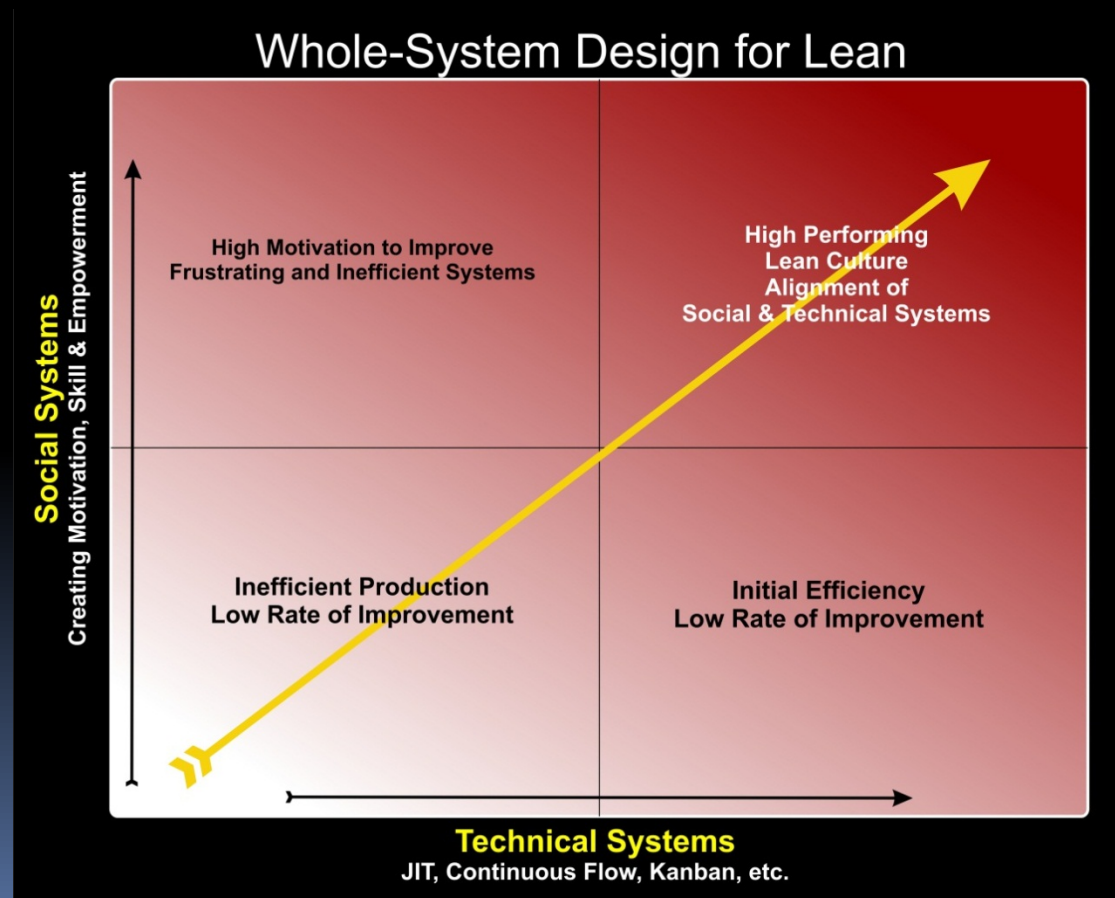
Leadership is responsible for designing the whole-system within which the work is done.

Everyone is responsible for continuous improvement, every day, within that system.

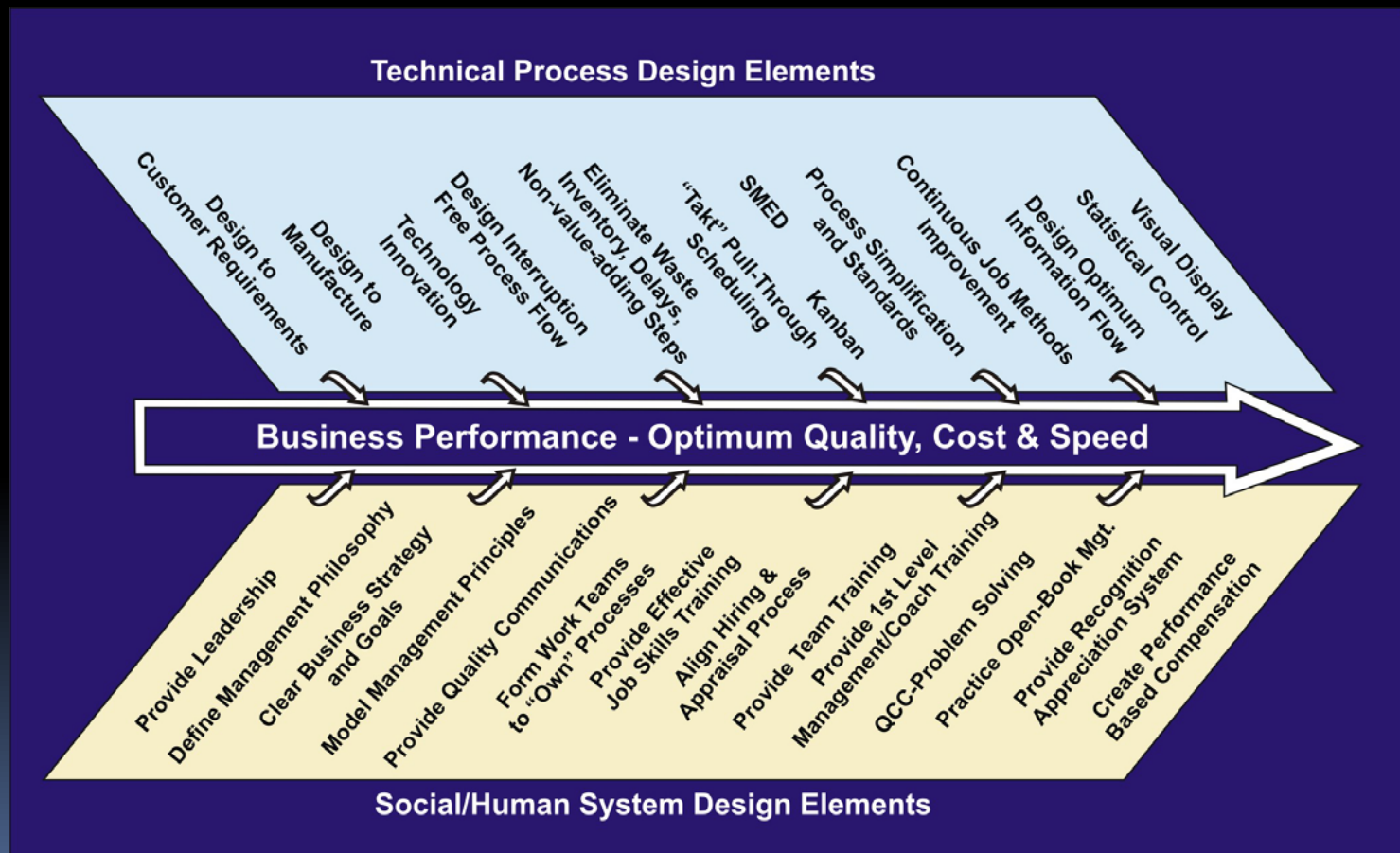
Macro and Micro Lean Implementation	
Whole-System Architecture	Continuous Improvement
<ul style="list-style-type: none">✓ Revolutionary/Re-Engineering✓ Rethinking the Whole-System✓ Big System Change to create major improvements✓ Questioning why we do everything✓ Changes in both work systems and social systems✓ Must begin and end with the customer view✓ Involves all stakeholders including the customer✓ Design with the changing landscape in mind✓ Rethinking Organization Structure	<ul style="list-style-type: none">✓ Evolutionary✓ Change within a stable system✓ Gradual & small improvements✓ Generally changes in the work process✓ Questioning how we can best do everything.✓ May be internal process focused or customer focused✓ Done by those doing the work at every level✓ Process owners experiment and improve✓ How to improve work within the current structure

Lean Culture is...

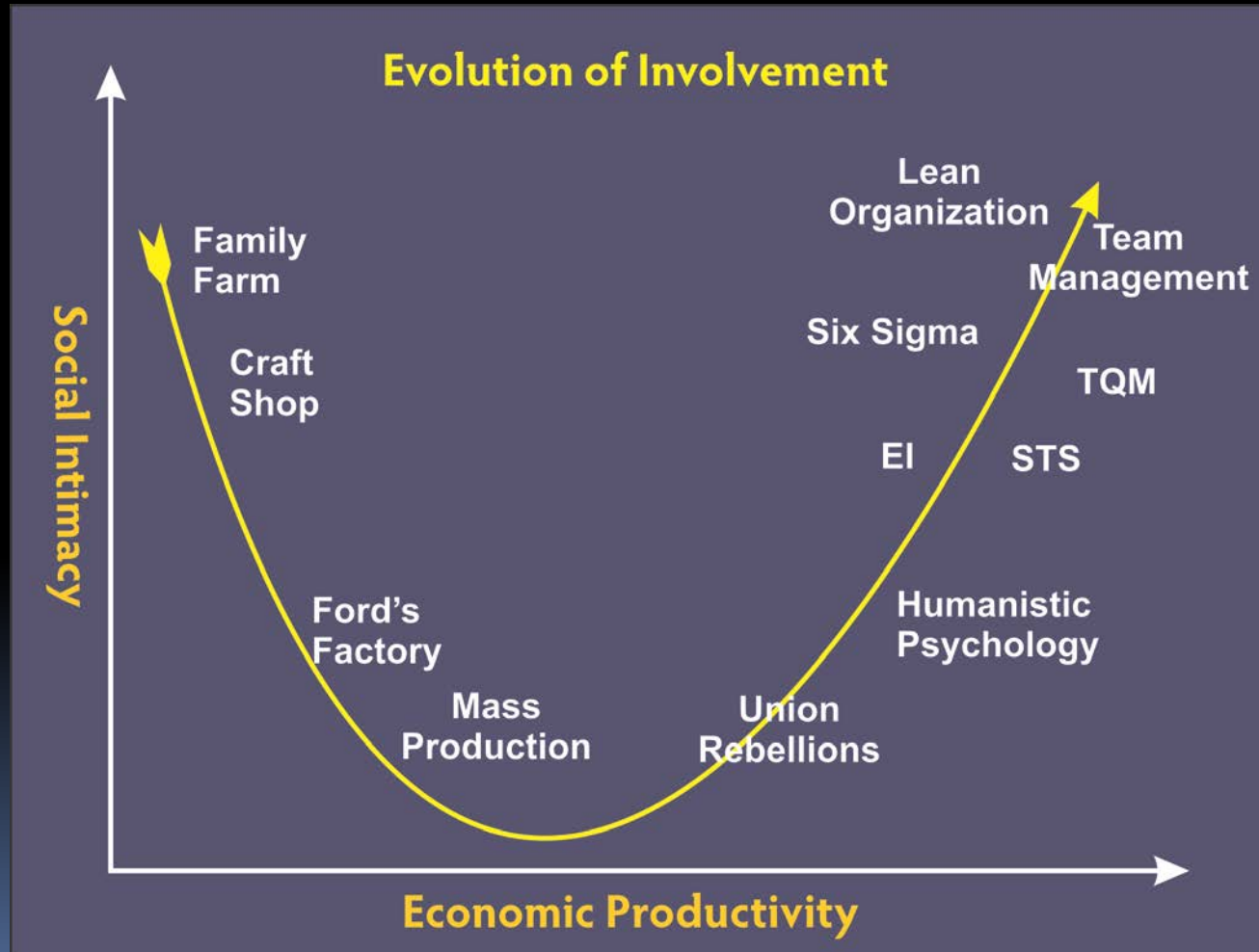
- Both a technical system and a social system.
- These systems are inter-dependent, complex and dynamic... as are all cultures.



Lean = Technical + Social Systems

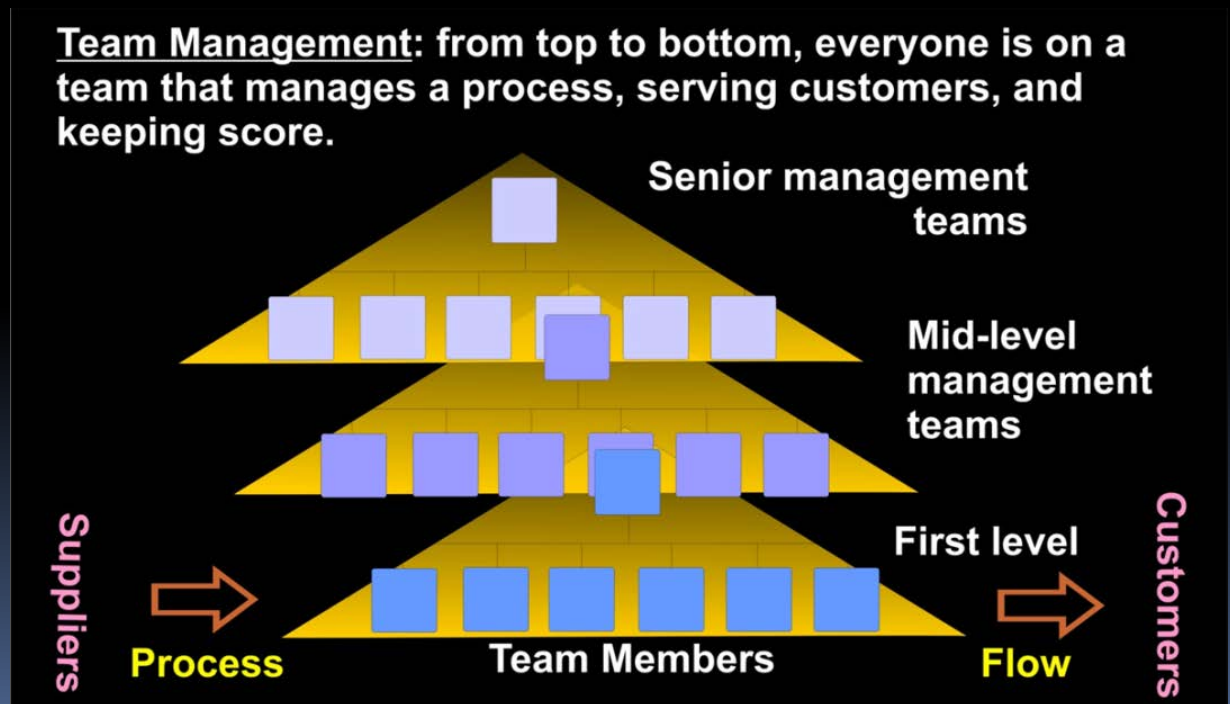


Genetic Roots of Lean



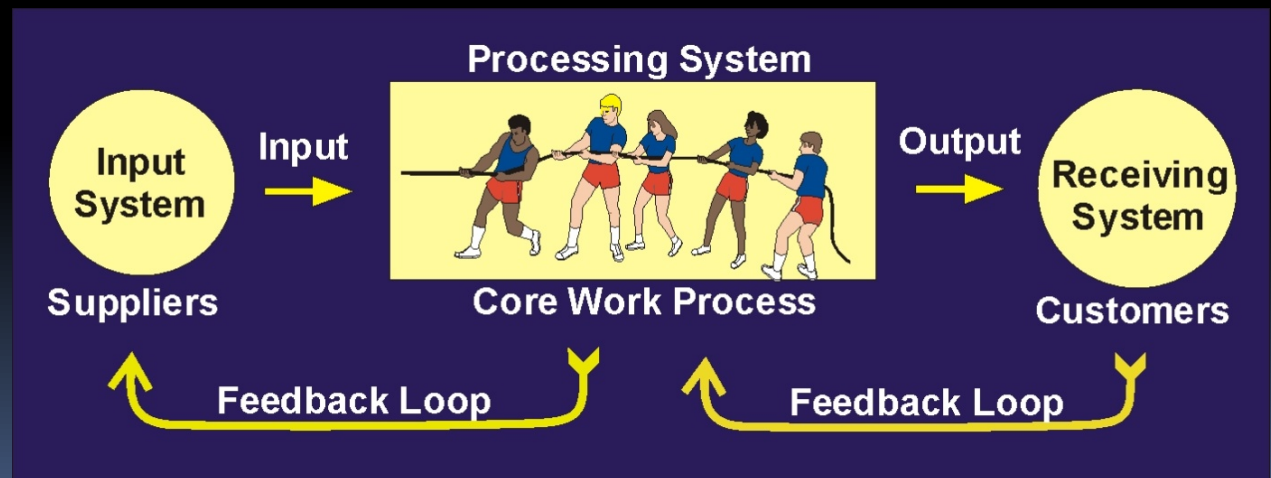
Lean Culture is...

- a journey we have been on for 40 years.
- the inclusion and engagement of every employee in continuous improvement.



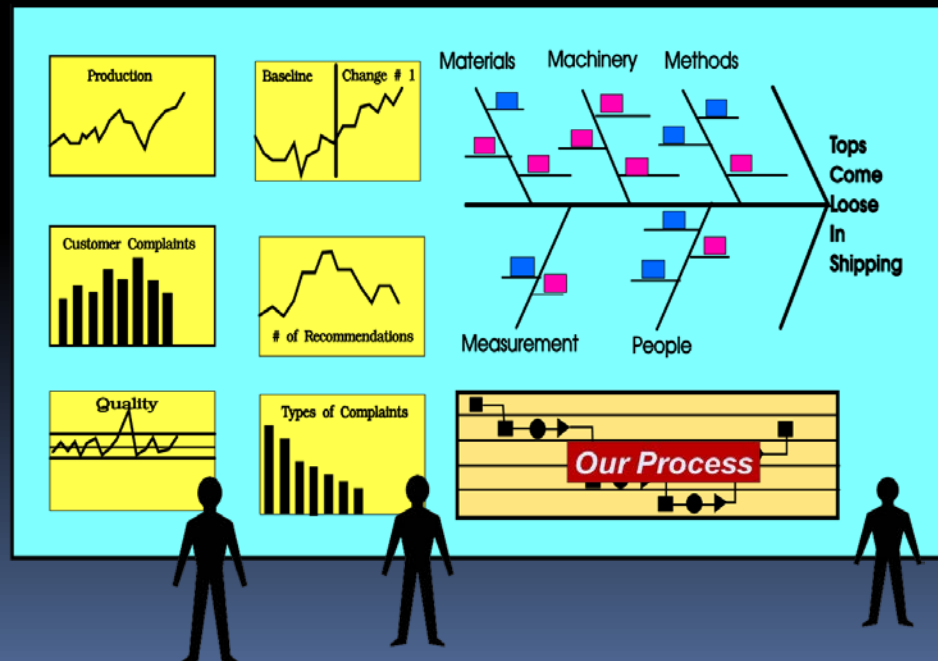
Lean Culture is...

- the knowledge of customers, suppliers, and processes by every employee.
- every team having a “charter” that defines their responsibilities.
- every team owning a process and being empowered to improve that process.



Lean Culture is...

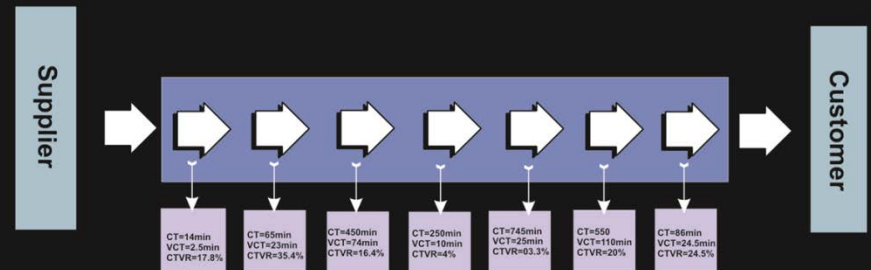
- data driven!
- keeping score on performance by every team.
- the visual display of performance by every team.



Lean Culture is...

- mapping of every key work process by every team at every level.
- the elimination of waste from every process.

The Process or “Stream” of Work



CT=Cycle Time; VCT=Value Adding Cycle Time;
CTVR=Cycle Time Value Ratio/value to waste

CT=2160; VCT=275; CTVR=12.7%; Goal=50%

Search for Waste in the Process

