Book Creating a Lean Culture

Tools to Sustain Lean Conversions

David Mann
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Recommendation

Lean production offers the promise of competitive, high-quality, low-cost manufacturing, but operating it successfully requires a lean management system. David Mann, head of lean management and organizational development at Steelcase, an office equipment manufacturer, helps you understand how to implement a simple, effective, proven lean management system. He explains how to take action, leverage a few simple processes and create a culture that will sustain your gains in the long term. Obviously, no system is a panacea, and Mann says you have to spend time every day comparing your actual performance to what you expected from each process. By focusing your management efforts on actively closing those gaps, you can find the right ways to improve your lean production system. The book includes a very useful glossary to help you understand the specialized vocabulary of lean management, and provides charts, forms, pictures and diagrams to aid you in implementing each chapter's principles. *BooksInShort* recommends it as a hands-on manual, not a theoretical read. Though Mann targets managers and other leaders, anyone involved in lean manufacturing can benefit from his practical advice.

Take-Aways

- Many lean conversions fail because organizations don't implement a lean management system to support the change.
- A lean management system has a simple structure, but requires daily attention.
- Constantly update your system to reflect technical changes.
- Lean management systems have four primary components: "leader standard work," "visual controls," a "daily accountability process" and "leadership discipline."
- Standardizing leaders' work makes lean leadership requirements explicit and increases the stability of production.
- Visual controls, such as charts, help workers see how well they follow lean processes.
- Brief daily meetings reinforce personal accountability for action and improvement.
- Leadership discipline is the "fuel" that keeps a lean system running.
- Lean management centers on taking appropriate action to fix problems. Your actions are also your most powerful tool for teaching lean principles to your team members.
- A consistent lean management system creates an organizational culture that will sustain high-quality production in the long term.

Summary

"The Missing Link in Lean: The Management System"

Many companies flounder after they convert to lean production. Why? Because they established lean processes, but retained their mass-production management

systems. Lean management is crucial to the success of lean production; it both "sustains and extends the gains" from establishing lean procedures.

> "The premise of this book is that culture is critical, and to change it, you have to change your management system."

For best results, implement your lean management system as early in your lean conversion process as possible – preferably before you put the finishing touches on the "physical changes" you've implemented to support lean production, such as "new layouts to establish flow." Lean production and lean management are intertwined; do not change one independently of the other. Any technical modifications must correspond with changes in your management system. If you don't coordinate your conversion by aligning lean management with your production processes, your system will soon lose its cohesiveness.

The Core of Your Lean Management System

The basic outline of lean management is simple. However, even simple systems require close attention and maintenance. Various elements of lean production systems and lean management systems are interdependent. Every lean management system has four essential ingredients:

1. "Leader Standard Work"

Just as workstation operators successfully accomplish their tasks by employing standardized methods and systems, leaders can standardize important aspects of their work. Standardized controls and processes not only provide a framework for a leader's workday, they increase the stability of production – for example, by smoothing the transition to a new leader. Standardized work presents "a clearly stated recipe" for leadership, making it easier to evaluate leaders' effectiveness. It "reduces ambiguity" about leaders' duties and responsibilities, and specifies "the conditions under which an individual leader's success is more likely."

> "You do not need a different management system for lean because it is so complex compared to what you have done before. You need it because lean is so different."

A "standard work form," such as a task checklist, is an essential tool; as a leader, you should always carry such a document. If you are unable to finish a task in its prescribed order or in the allotted time, note why. Standard work forms suit both action-oriented leaders, who tend to focus on task completion, and creative leaders, who prefer to spend less mental energy on routine duties so they can expend it generating improvement ideas.

2. "Visual Controls"

Visual controls, such as "hour-by-hour production-tracking charts," make a hefty contribution to your management system. They keep everyone focused on the process and "the human scale of production activity." Your staffers can compare their actual production results against their expected results and measure other meaningful aspects of their work. Seeing their output quantified in concrete terms helps them understand how well they are following lean processes.

> "If you stop following through...because things seem stable and in control, it is certain that you will soon face unstable and out-of-control processes."

Determine where and how you display your visual controls based on the specific needs of your team members and your management team. Don't spend too much time making your visuals look good. Using handwritten and even crudely fashioned visuals is fine. Posting the production numbers as soon they become available is more important than perfecting their appearance, which will only delay you. You want to send the message that the information matters, not the presentation. Having the most current, relevant data enables your team to spot the best opportunities for improvement. Uphold the value of visual controls in your lean management system. If you treat them as an afterthought, your team will, too.

3. "A Daily Accountability Process"

Holding brief accountability meetings every day is a great way to concentrate your efforts on active improvement. Whether you are having a production, supervisory or value-stream meeting, focus on what happened yesterday and what you can do today to make things better. Don't hold accountability meetings to share information of low relevance, or to have long, rambling discussions. That is not the purpose of these "paced, stand-up meetings." Instead, stick to the information in your visual controls. Interpret their results and create action items for improvement and follow-up. Assign responsibility for the necessary tasks.

> "Learn to trust that results will take care of themselves when you take care of the processes."

Also use your daily accountability meetings to demonstrate important business tools to your leadership team. For example, you could teach the basics of project management to those who don't know them. Daily personal accountability reinforces every other principle of lean management and production.

4. "Discipline"

Think of your lean management system as a car. Standard work is its "engine," visual controls are its "transmission" and your daily accountability process represents its "gas pedal and steering wheel." Discipline is the "fuel" that keeps the vehicle running. Indeed, having the components of your management system in place is not enough; "each has to be scrupulously observed for the system as a whole to work." Bring a disciplined approach to all your leadership tasks. That means consistently completing standard work, carefully examining visual controls and always adhering to accountability processes. Don't fall into the trap of letting your discipline flag when things appear to be running smoothly. Without a constant supply of this vital fuel, your processes will grind to a halt.

How to Learn Lean Management

To become a master of lean management, first become a student. Engage a *sensei* ("master") who can teach you the fundamental principles of lean and guide you during your initial applications. Taking "*gemba,*" or "real world," walks with your sensei will help you see how lean principles apply to your production system. Once you understand these principles in depth, you can become the teacher, instructing those who report to you by taking them on gemba walks.

"Leader standard work provides a structure and routine that helps leaders shift from a sole focus on results to a dual focus on process plus results."

For the lean methodology to thrive in your organization, it must permeate your culture and earn upper management's support. Executives benefit from studying under a lean sensei, just like all other employees, and they gain insight from using gemba walking as a learning and teaching tool. "At its most effective, gemba walking cascades down through the organization," meaning that executives and leaders who learn lean principles can motivate and educate all other workers. Since lean is a way of thinking, helping others adopt this mind-set is a big part of ensuring the success of lean systems.

Leading Lean

Transforming your company from mass production to lean production requires considerable effort. The two systems vary widely, so a conversion requires you to re-educate everyone in the organization, beginning with yourself. As a lean advocate, you are asking people to adopt habits and practices that are the exact opposite of what they are accustomed to doing.

> "A lean thinker welcomes...the appearance of interruptions, anomalies and problems in his or her processes as opportunities to understand and eliminate sources of variation and disruption."

Changing your own behavior is a first step in any lean conversion. Your success as a leader relies on your actions, not on your personality. So that you can model behavior that supports lean processes, you should master the "eight leadership behaviors": "passion for lean, disciplined adherence to process, project management orientation, lean thinking, ownership, balanced commitment to production and management systems, effective relations with support groups" and awareness of the "tension between applied and technical." A leader who understands this tension senses the "need to sweat the details, as well as to get things done."

Rapid Problem Solving and Improvement

Lean management centers on improving your lean production system. Unlike mass-production management systems, which try to "work around [a] problem" to stay on schedule, lean management requires you to dig out a problem's "root cause." Sometimes, that means stopping production altogether to investigate the glitch and find a solution. In most situations, however, incremental improvements are the best way to address issues. Categorizing improvements as short-, medium- or long-term projects will help you organize your approach to each type of change.

> "It is one thing to set perfection as a goal; it is another thing to put in place the tools that allow you to make progress toward the goal."

In a lean system, a problem in one area of production can rapidly affect other areas. Put a response system in place that enables you to react to production issues as quickly as possible. However, not all problems have immediate solutions. You may have to implement "short-term countermeasures" that let you maintain production while you analyze an issue. Organizing a support system requires handling the challenging task of "realigning the priorities, and perhaps the measures, of support groups." To create a real response system, not a hollow idea, you must develop a unified, universally accepted support process.

People and Lean

In a lean production system, every worker counts, and unplanned employee absences can disrupt production. To increase worker accountability, use tools like an "attendance matrix." This month-at-a-glance matrix employs a color-coding system: Workers who take planned vacation time on a given day are coded "yellow," those who have temporary assignments in other production areas are coded "blue" and people on medical leave are coded "green." Workers who call in unscheduled absences are coded "red"; late-comers are coded "half-red." This matrix "makes attendance visual," so people will do everything possible to avoid having a red or half-red code next to their name.

> "Lean requires much more precision in execution than a batch-and-queue system, so issues that interfere with disciplined adherence to lean processes must be addressed quickly."

Going lean is likely to require changes in your human resources (HR) policies on topics such as pay, layoffs and discipline. For instance, in a lean system, you need to empower team leaders to implement corrective procedures more quickly. Include your HR team early in the process to earn the members' support. Human resources personnel who understand the benefits of lean can make your organization's transition easier and smoother.

Staying Lean in the Long Term

Do not implement a lean management system and expect it to run itself. Your new system will soon deteriorate if you don't make a direct effort to sustain it through constant attention and the application of fresh energy. Heed these seven principles for "maintaining lean management":

1. Routinely follow your prescribed standard work. Ensure your people follow theirs.
2. Keep an eye on your visual controls; make sure they are accurate and up-to-date.
3. Hold brief daily accountability meetings to compare actual performance against expected outcomes.
4. Use gemba walks to teach subordinates about lean processes.
5. Foster ongoing conversations about the processes your organization uses, and examine areas for improvement.
6. Focus on fixing processes with the biggest gaps between actual and expected results.
7. Take steps to avoid burnout and to enjoy your team's successes and achievements.

> "Making accountability easier to see and execute is the objective that underlies lean management's ways of thinking, its tools and approaches."

As you saturate your workplace with lean management processes, you'll create a lean culture that will provide the energy necessary to sustain your efforts in the long term. Live the principles of lean management, so others can follow your example and gain confidence in the system.

About the Author

David Mann has worked at office equipment manufacturer Steelcase since 1987, contributing to more than 30 conversions to lean manufacturing at the firm. He serves in many industry organizations that focus on lean processes and is an adjunct faculty member at Ohio State University's Fisher College of Business.