

Senior Management Lean Engagement Workshop

Productive Time Team

Fiona Clark

Lynne Phillips

Neil Price

Small Steps to Big Leaps

“The secret of getting ahead is getting started. The secret of getting started is breaking complex overwhelming tasks into small manageable tasks, and then starting on the first one. ”

Mark Twain

Lean is a practical and engaging way of breaking the overwhelming tasks into manageable ones and delivering the improvement

What Lean isn't...



Office of Government Commerce

Lean isn't something you "do to" your staff –

Staff are engaged in decisions about the work they do & research shows morale can improve!

Lean isn't an initiative for one layer of the organisation

Frontline staff and managers work together to deliver what the customer wants!

Lean isn't a one off change programme

Lean is about making improvement part of every day business

Lean isn't a silver bullet, but it works!

Why Lean ? – Because it works



Workshop Objectives

Improve individual understanding of lean principles

Identify high level steps in improvement journey

To highlight relevant people / culture issues and planning implications

To understand more about Departments' needs & issues

To relate generic success criteria to Departmental circumstances

To prepare thinking for next steps

Agenda

Why Lean?

What is Lean

- Principles; Waste

The Lean Journey

- Issues for Senior management
- How to implement Lean

Summary & Next Actions

Why Lean ?

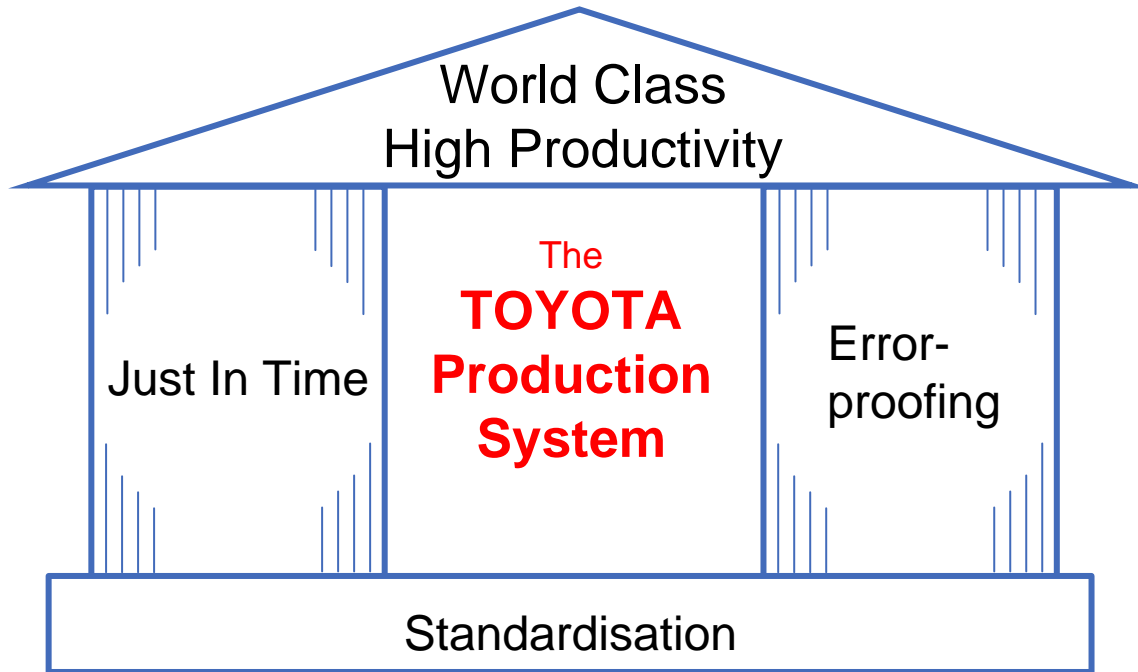
Because ‘traditional change’ is too often about:

- Limited delivery following after months of work and the production of long reports
- Lack of engagement generating resistance to change
- Flavour of the month feeling so your people ignore it
- The organisation staggering from one initiative to the next, never delivering the planned results
- Focusing on the next big new idea – lots of up front cost and no real benefit, built on existing ‘process rubble’
- Customer service being damaged

In summary: lots of cost, time and effort with little real improvement

Lean challenges & changes these dynamics

Why Lean ? – Because it works



Toyota: largest manufacturer of automobiles in the world.



Taiichi Ohno

Former Executive Vice
President,
Toyota Motor Company

What does Lean mean to you?



Office of Government Commerce

“This has changed the way I work – for the better”

“It won’t work for my department, we’re different”

“Doing lean looks like a no-brainer ”

“Teamwork and morale have improved”

“Lean leads to deskilling & poor morale”

“Isn’t this just turning people into robots?”

Task 1

What is your perception of lean?

What is 'Lean'?

'Lean' is a way of working which identifies and eliminates waste to deliver improved value and service, based on identified customer requirements.

- Improves existing processes
- Creates new processes

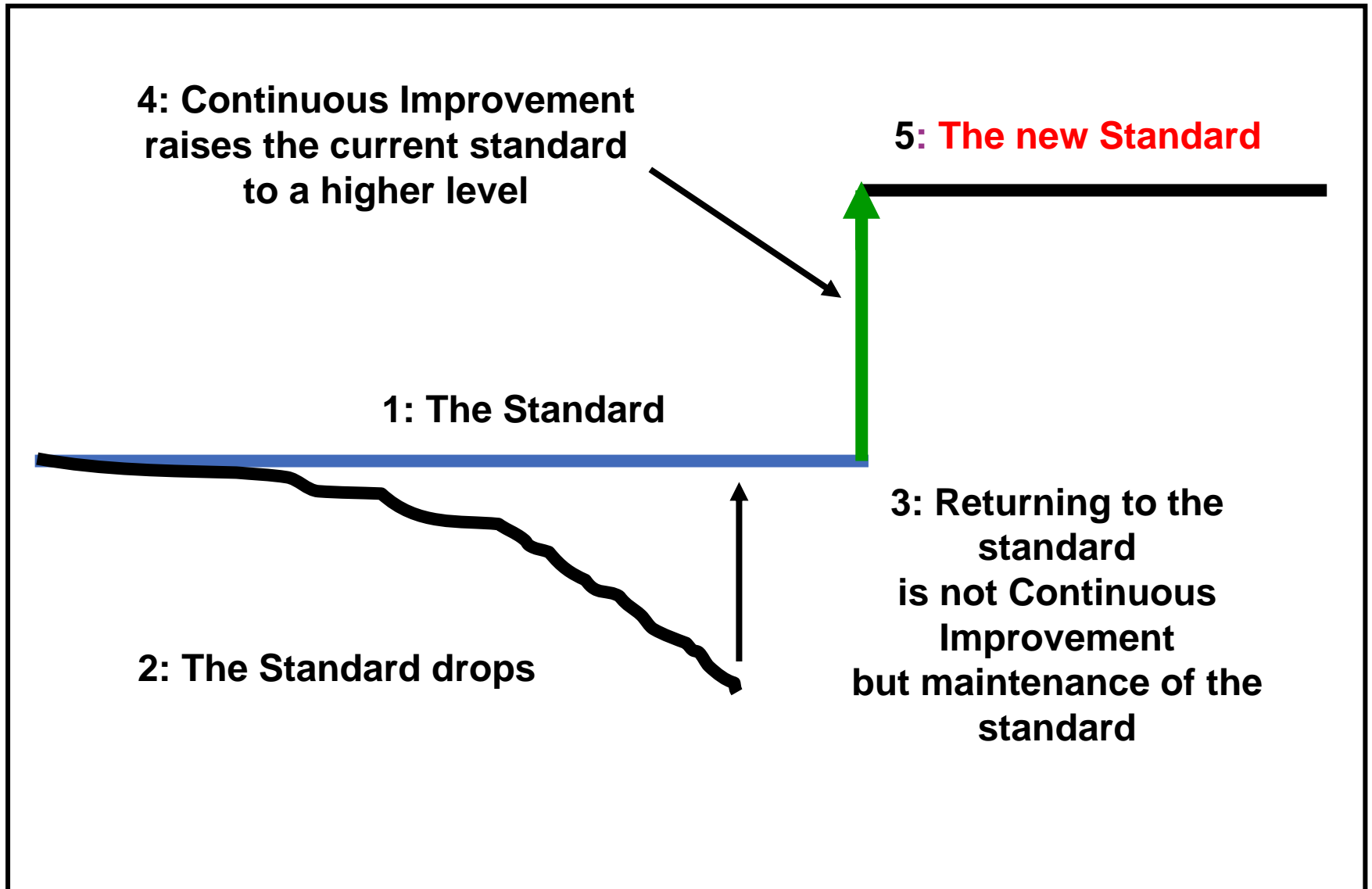
The Core of Lean

- Define who are the **customers** – recipients, clients, payers &/or other stakeholders (e.g. owners of interfacing processes)
- Define desired outputs & **value** in customer terms
- Define current process (**value stream**) - as it really is, not as it is supposed to be
- Identify & eliminate **waste** - all steps should directly contribute to satisfying the need of the customer
- Make the process **flow** so the customer can **'pull'** (i.e. demand from the customer).

Continuous Improvement

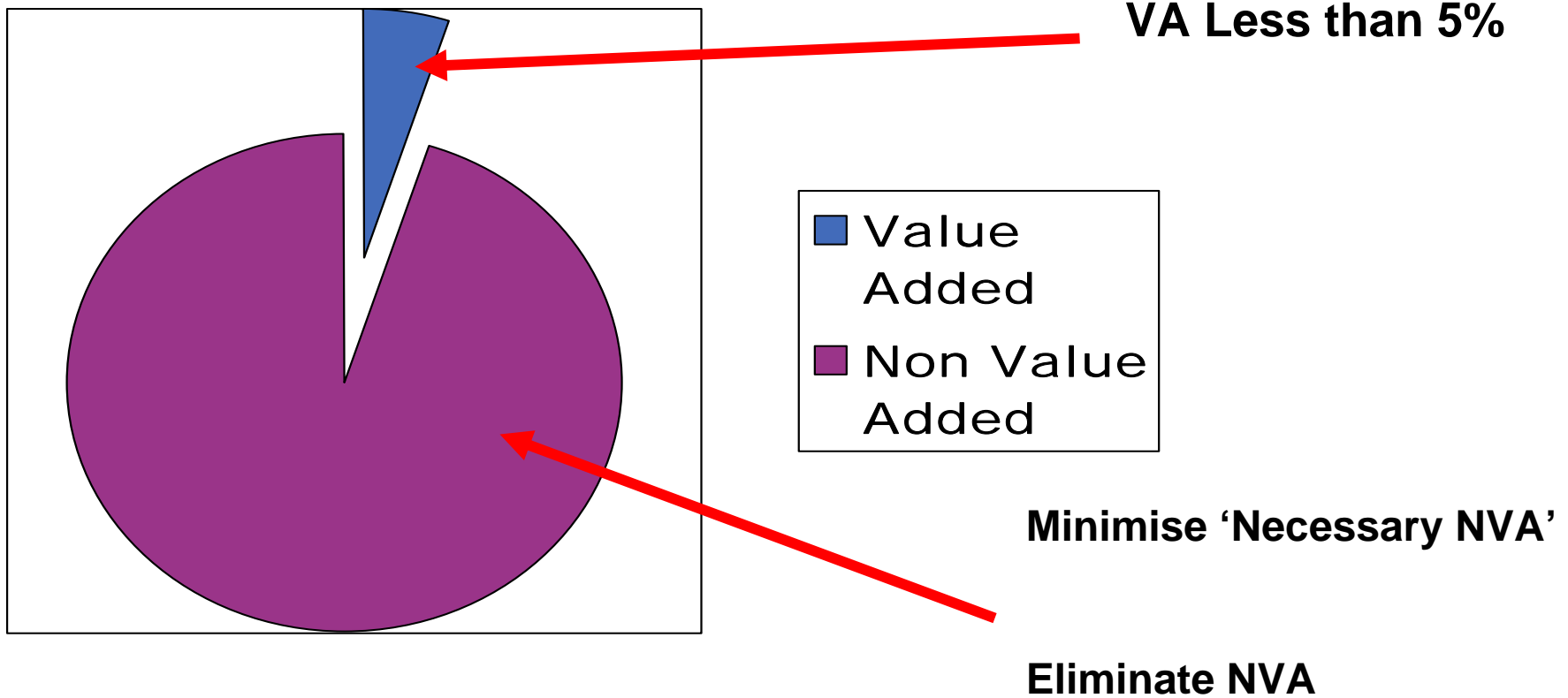


Office of Government Commerce



Waste Identification

• *Value Added and Non Value Added Activity*



(Example of Necessary NVA : Arranging meetings)

HMRC post room: waste limits business performance



Office of Government Commerce



1 Over-production
60% of post printed in the post room is discarded (example from one process)



4 Over-processing
Sorting post in 15 categories when 4 are enough



2 Waiting
Post delivered by Royal Mail does not always arrive at 7:45 am



5 Inventory
15 days of work on shelves



3 Transport
Post moves 500 metres before work (value-added) is performed



6 Rework
Post transferred between offices; frequent redirection due to mis-sorting



7 Motion
In post room the operator moves from desk to scales to measure a single item of post

Waste in a Service context

Manufacturing waste definitions do not necessarily have “face” validity in a service context.

“Service” waste* can be redefined as

- Process waste
- Information waste
- Work waste
- Human energy waste

*Based on original material from Scottish Executive, ‘Lean Masterclass’

Process Waste

- Strategic** waste - is effort wasted as a result of processes that are not focussed on customer or stakeholder value,
- Unbalanced flow** waste - this is the resource we commit to material that piles up between workstations
- Standardisation** waste - is the effort required to correct for the consequences of optional methods applied by individual employees,
- Reliability** waste – correction of unpredictable process outcome due to initially unknown causes,
- Checking** waste - the effort used in inspection and rework,
- Boundary** waste - correction of errors/re-keying that occurs when work moves from one area to another.

Information Waste

- Translation** waste - the effort required to change data or formats between process steps,
- Missing information** waste - effort driven by the absence of key information,
- Irrelevant information** waste - the cost of having to sort through or deal with irrelevant information,
- Inaccurate information** waste.

Work Waste

Processing waste - inefficient work as a result of inadequate training, missing information,

Motion waste - movement that does not add value,

Waiting waste - people waiting for information, a meeting, a signature or approval

Human energy waste

Lack of clear **Focus** waste - not consistently aligned and energised to address critical issues,

Ineffective **Structural** waste – waiting for approval action etc.,

Lack of **Ownership** waste – no clear ownership of the issues,

Ineffective **Control** of quality waste - non productive supervision and no feedback on actions and outputs,

Tampering waste – arbitrary changes to process without understanding the consequences,

Inappropriate **Assignments** waste - working on unnecessary or inappropriate tasks,

Goal **Alignment** waste – working at cross purposes and duplicating work.

Critical Success Factors

- Small changes make a big difference
- Lean benefits maximised by involving all staff, all levels
- Lean will help motivate staff, and save time and money
- Executive commitment and support is essential for success
- Dedicated lean support builds quick results
- Rapid Improvement Events for results in days, not months

Task 2

What challenges do you face as senior management leading 'lean' in your organisations?

The Lean Journey

Understanding & Preparation

- Getting ready: Champion; baseline

Engagement

- Getting people excited ('home grown' sticks better); the way we work; encouraging behaviours; communication

Planning

- Identify gap (current v future); prioritise work areas; develop training; agree metrics / forecasting

Implementation

- Deliver transformation – culture & performance; sustain via alignment with priorities (business as usual)

Leading the Lean Journey

Lean challenges traditional
'command and control'

Senior Leadership will be required
to:

- set pace and tone
- manage expectations at all levels
- harness the right skills & behaviours
- commit the resource
- set appropriate measures and controls that support the delivery of the outputs

Middle Managers to be:

- Involved
- Visible
- Championing the customer
- Accepting that they don't have all the answers and,

■ Actively supporting **Frontline Managers** to be:

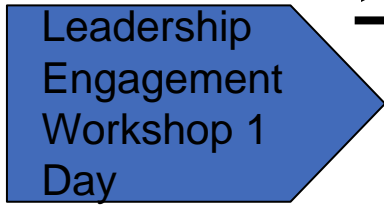
- Empowered
- Proactive
- Delivering lean on the ground



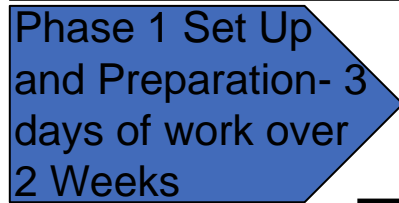
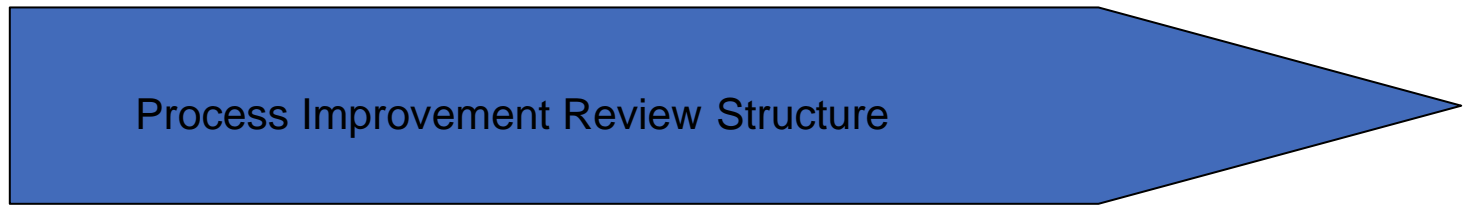
Enabling

Starting the Lean Journey

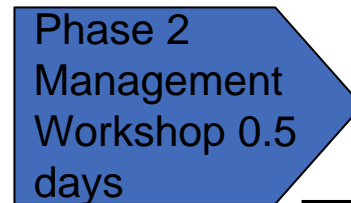
Part 1



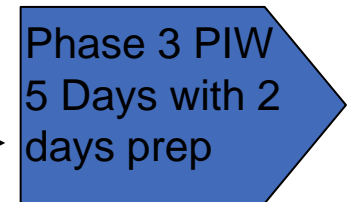
Part 2



3 Weeks



2 Weeks



Elapsed Time 40 working days



Phasing the Lean Journey

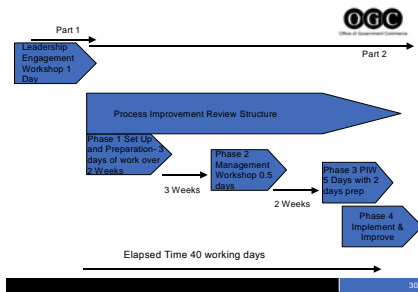


Office of Government Commerce

Step 1

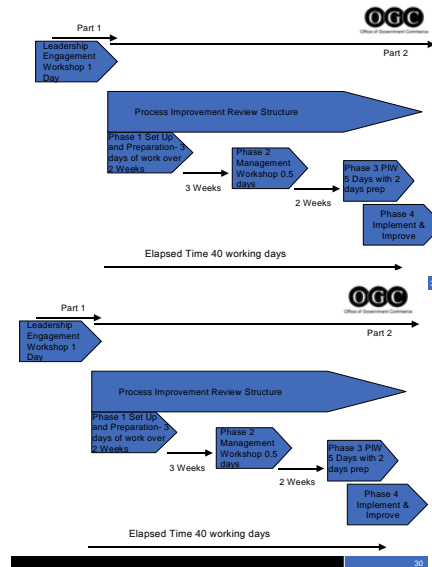
Start in one/three locations (40 days) to implement first changes

Review; document standards; coach and train; sustain (showcase)



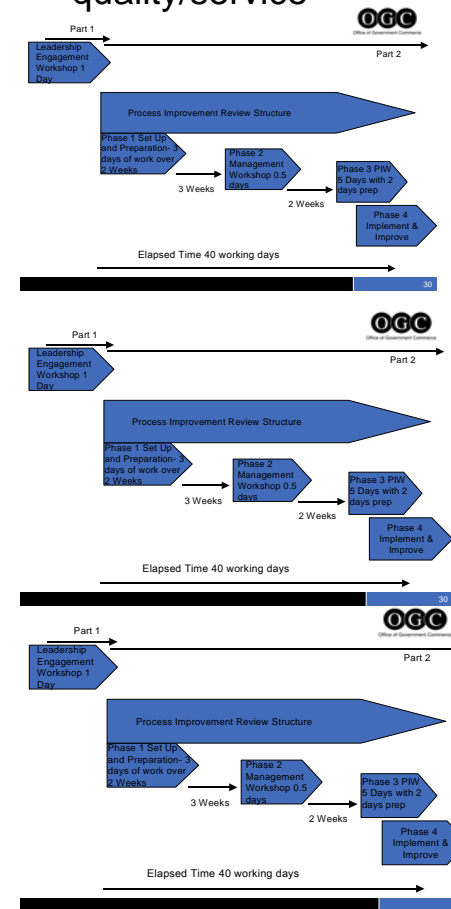
Step 2

Roll out into 5% of network/organisations eg. 20 out of 400 sites (120 days) adopt standards; build knowledge base; coach and train



Step 3

Full (phased) roll out across all sites; focus on quality/service



The Core of Lean

- Define who are the **customers** – recipients, clients, payers &/or other stakeholders (e.g. owners of interfacing processes)
- Define desired outputs & **value** in customer terms
- Define current process (**value stream**) - as it really is, not as it is supposed to be
- Identify & eliminate **waste** - all steps should directly contribute to satisfying the need of the customer
- Make the process **flow** so the customer can **'pull'** (i.e. demand from the customer).

Leading the Lean Journey

Lean challenges traditional
'command and control'

Senior Leadership will be required
to:

- set pace and tone
- manage expectations at all levels
- harness the right skills & behaviours
- commit the resource
- set appropriate measures and controls that support the delivery of the outputs

Task 3

What do you need to do to lead the lean journey in your organisation?

Thank You

Any questions?

Please complete the feedback sheets to help us improve.