



Lean Transformation Understanding the Hidden Rules of Engagement

April 2010
Jim Luckman



Housekeeping

- To enlarge slides, use the magnifying glass icon just beneath the slides and to the right on your display console
- To adjust the sound, use the volume control on the console or on your computer
- To ask a question, type it into the box at the bottom of the console and hit “submit”

About the Speaker



- Jim Luckman
- LEI faculty member; facilitator of Transformational Leadership, an experiential program for lean leaders
- Past president & CEO of iPower Technologies
- Former plant manager & director of a research and development center at Delphi Automotive
- Leadership coach & advisor to businesses making company-wide lean transformations
- Development team member for LEI's *Mapping to See: A Value-Stream Improvement Kit for the Office and Services*

Purpose of the Webinar

- Understand the hidden drivers of our culture
- Learn how to look for cultural problems to solve in your organizations
- Understand a model to create a problem solving culture



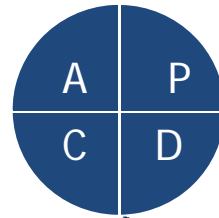
Lean Transformations Experiences

- Transformations have not lived up to expectations
 - *Not sustainable*
 - *False starts*
 - *Long implementation cycles*
 - *Poor results*
 - *Confusion*
 - *Frustration*
 - *Anxiety*
- What is happening?
 - *Delegate the work*
 - *Continue with the actions within the existing system*
 - *Expect quick results – mostly cost reduction*



What is Lean?

A New Paradigm



“Good Thinking”

“Good Products”

Executive

Strategies
Business Objectives
Financial Performance

Manager

Goals
Ops/Project Plans
Budgets

Supervisor
Team Leader

Action Plans
Production Schedules
Targets

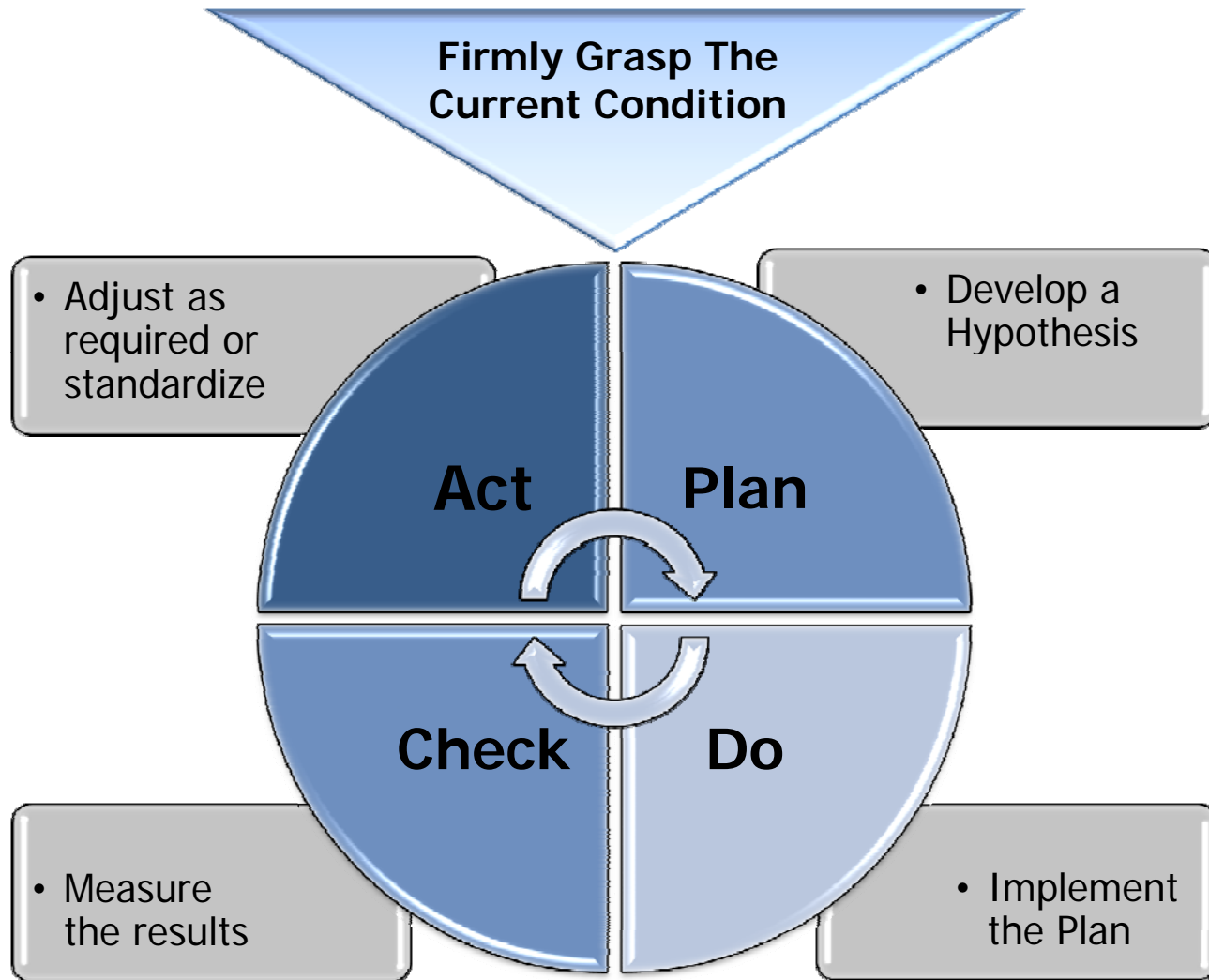
Team

Assignments
Rates/Due
Dates
Standards

Problem Solving by Level



PDCA Management

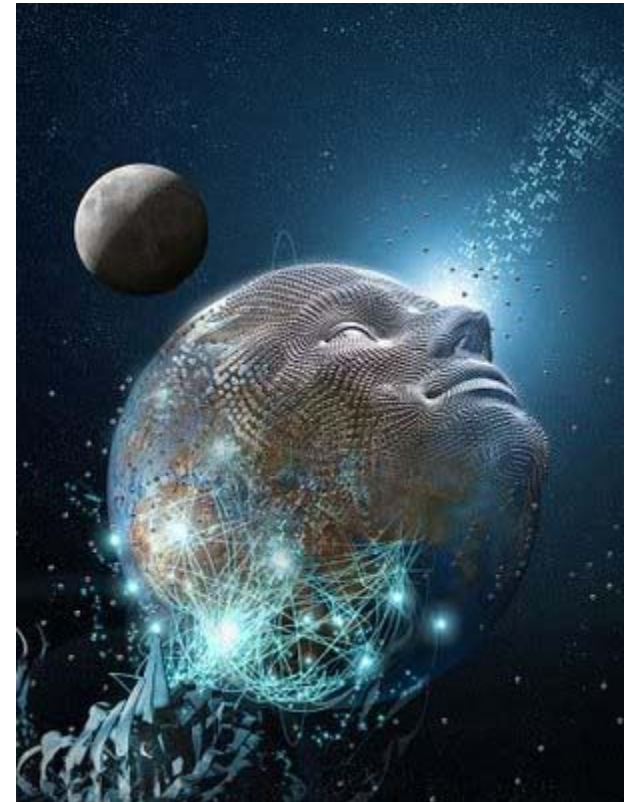


Question

**What is limiting your
lean transformation
effort?**

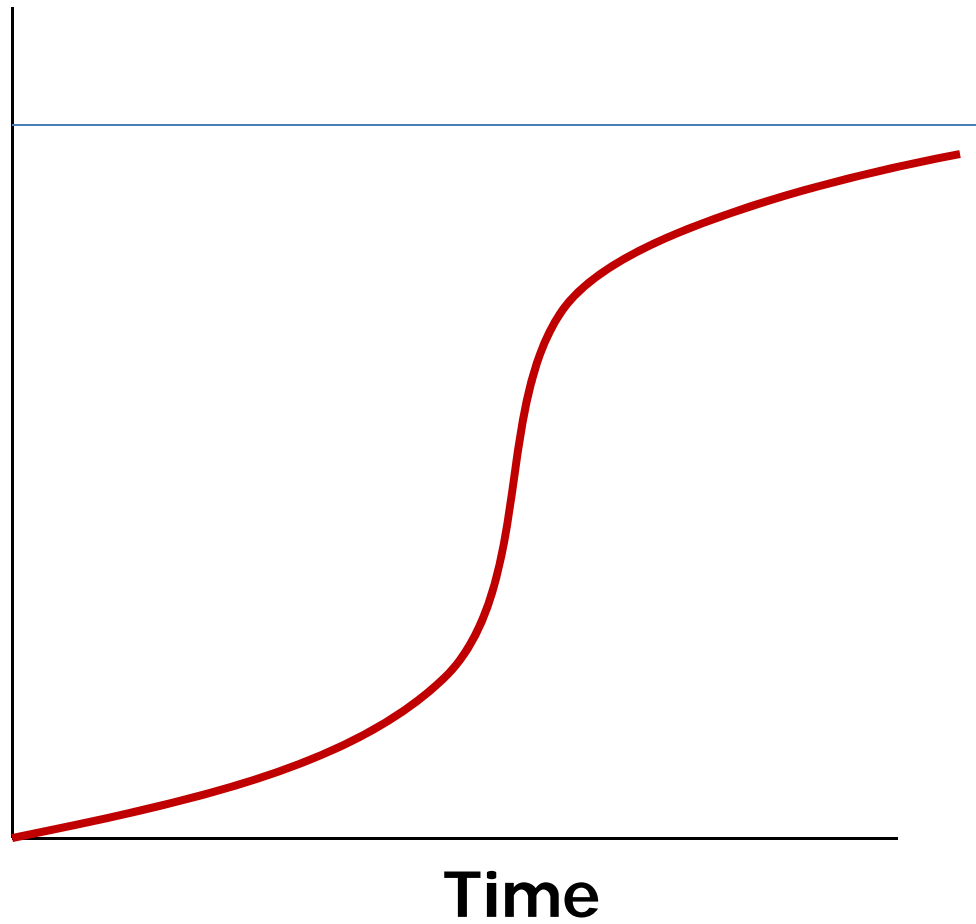
Culture and Systems

We need a different way of thinking about problem solving when it comes to changing the culture

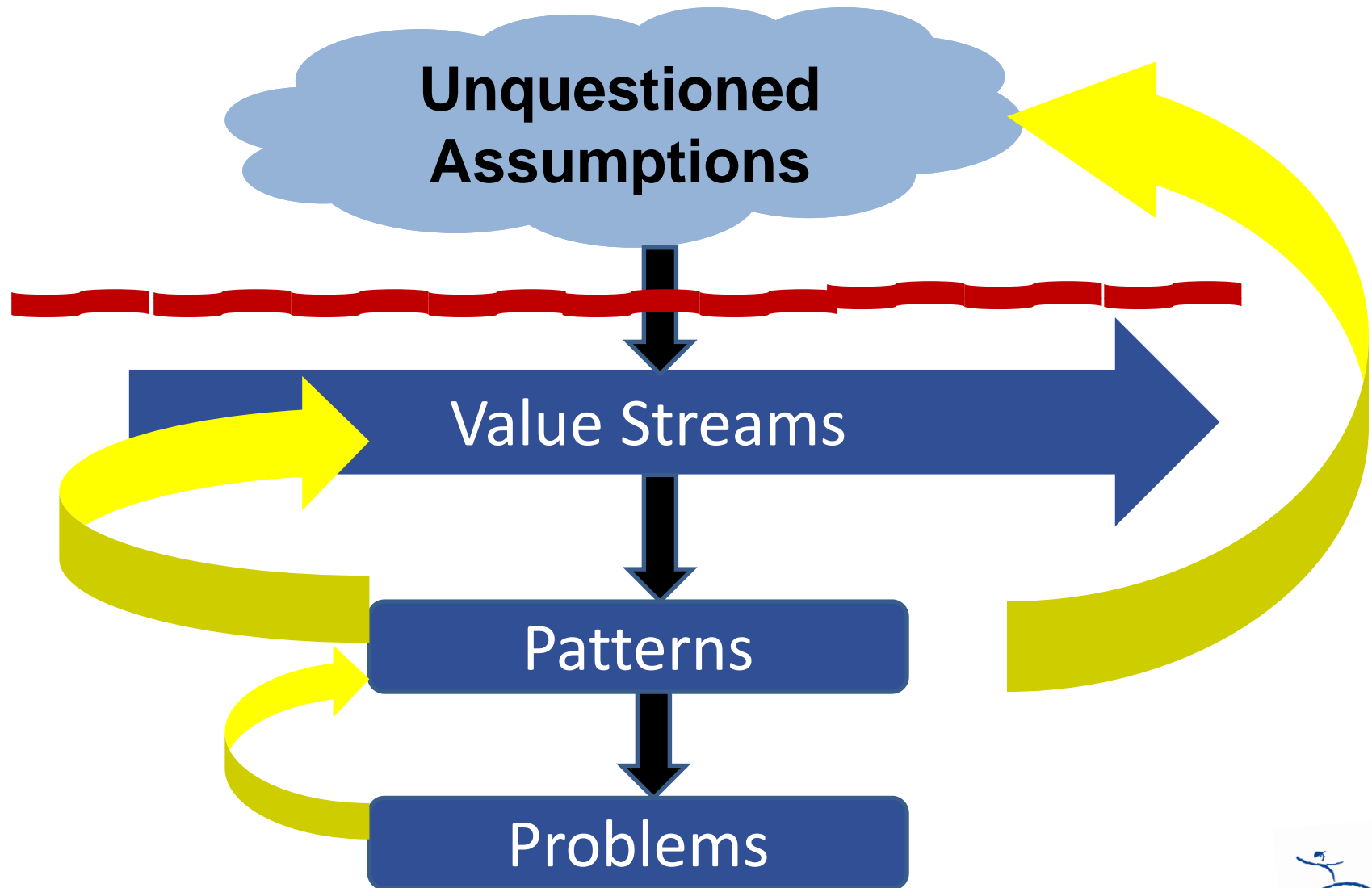


Limits to Growth

**Performance
Improvement
from Lean
Effort**

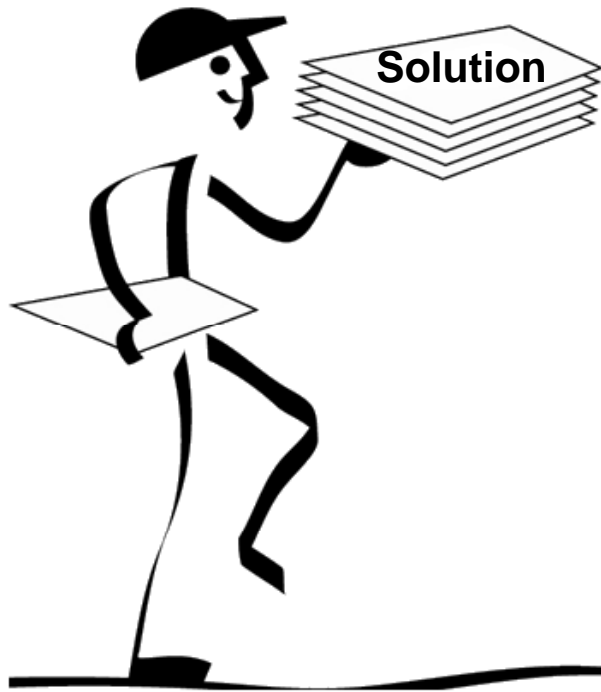


Systems Model for Lean Transformation



Two Paradigms

Blanket Solutions Thinking



Problem Solving through rapid small experiments



Question

**What are the
Unquestioned Assumptions
that drive each Paradigm:**

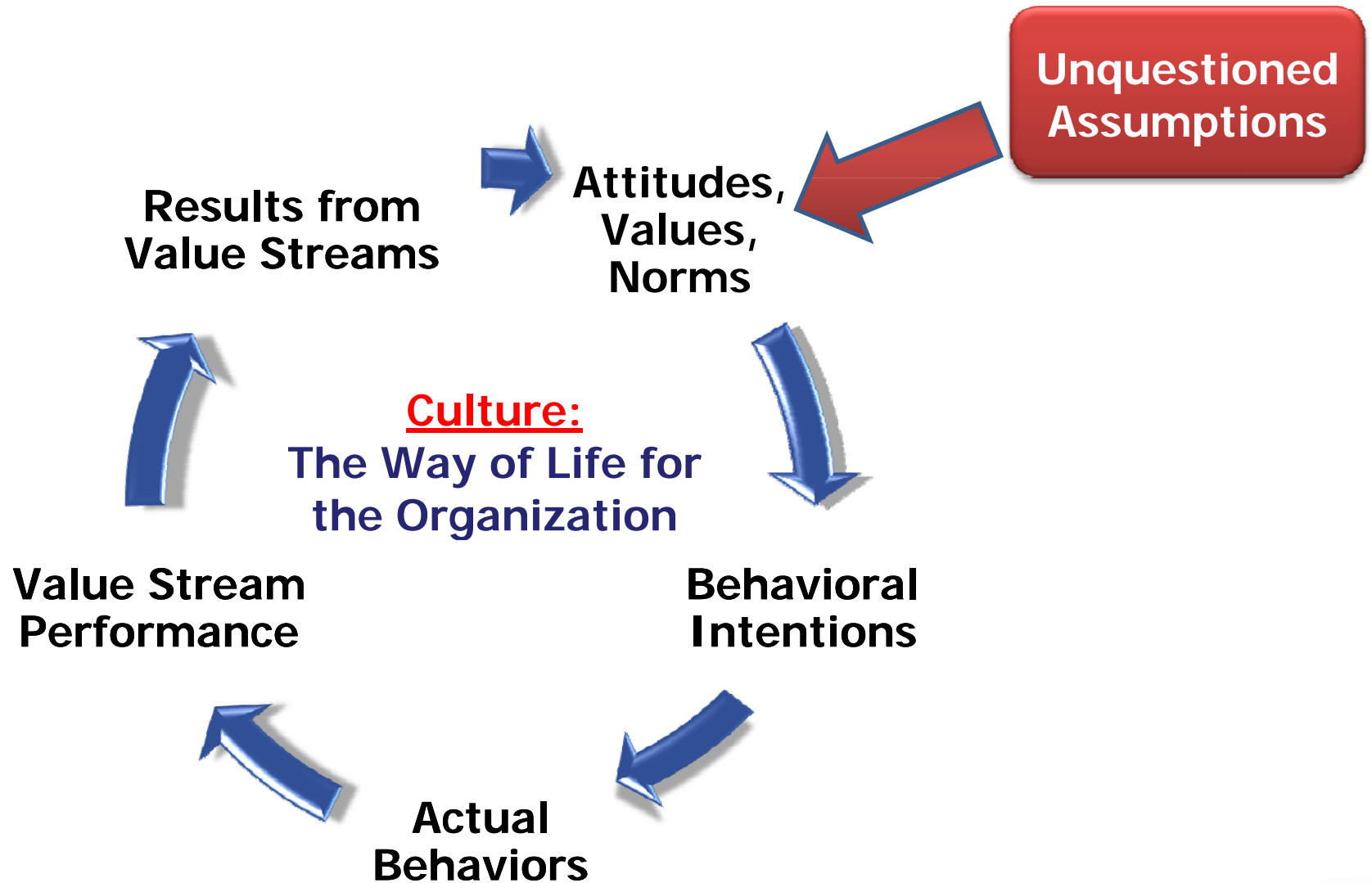
- *Blanket Solutions*
- *Problem Solving ?*

Definition of Culture by Edgar Schein

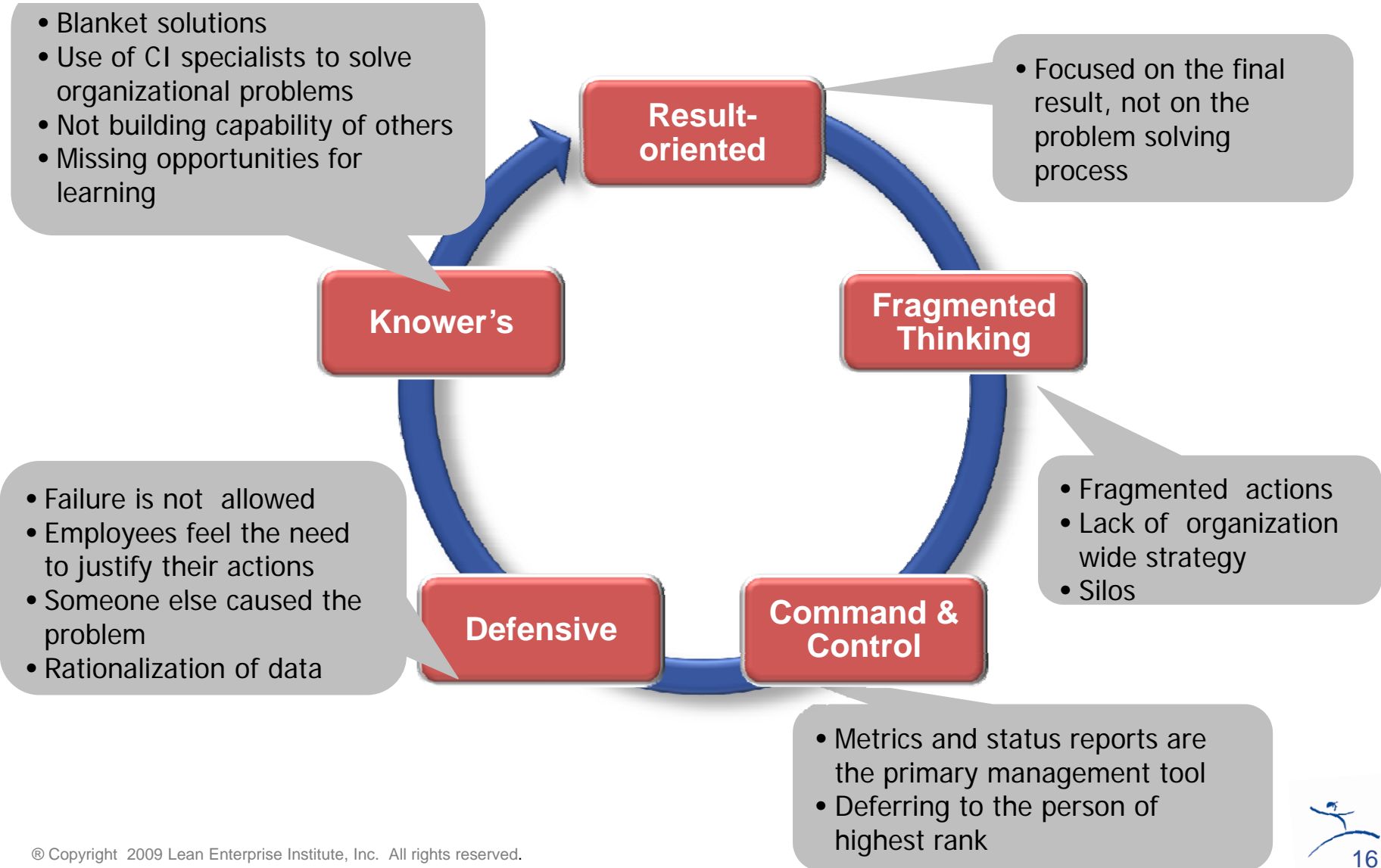
“A **pattern of assumptions**, invented, discovered or developed by a given group, as it learns to cope with the problem of external adaptation and internal integration, that has worked well enough to be considered valid and be taught to new members, as the correct way to perceive, think and feel ...”



Systems View of Problem Solving



Unquestioned Assumptions That Drive Complexity

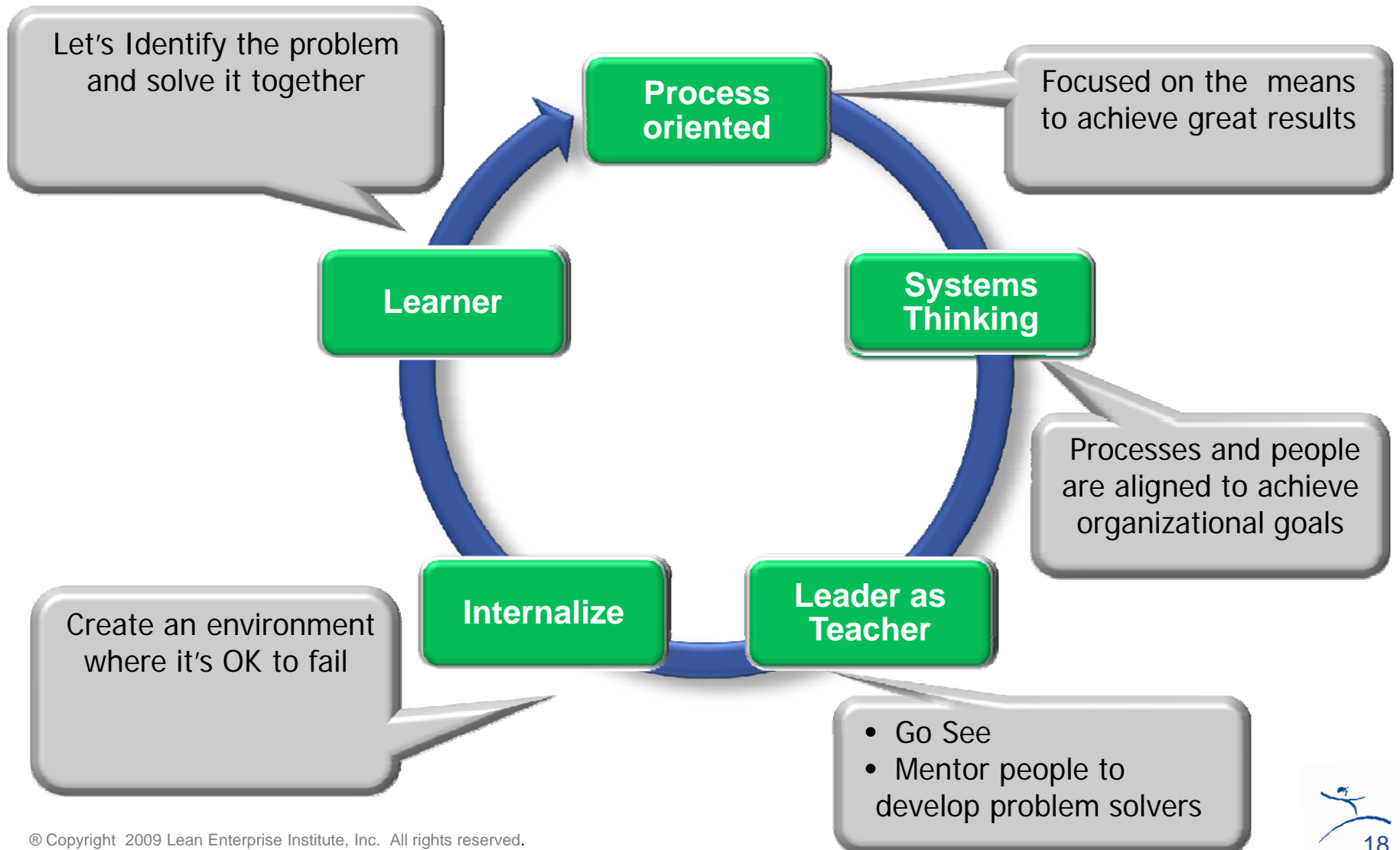


Question

How is your Lean Transforming Going?

Which of these unquestioned assumptions best describe your company's culture?

Unquestioned Assumptions that Drive Continuous Improvement



Question

How is your Lean Transforming Going?

What can you do to encourage a shift in thinking committed to driving continuous improvement?

What is Lean?

“ The key to success is to have a production system that highlights problems and a human system that produces people who are able and willing to identify and solve them.”

From “Toyota Culture” by Jeffrey Liker & Michael Hoseus



The Systemic Approach to Culture Change

Learn the Art of Problem Solving

Solve value-stream problems from within and expose and remove culture barriers

Problem Solving and Learning Culture

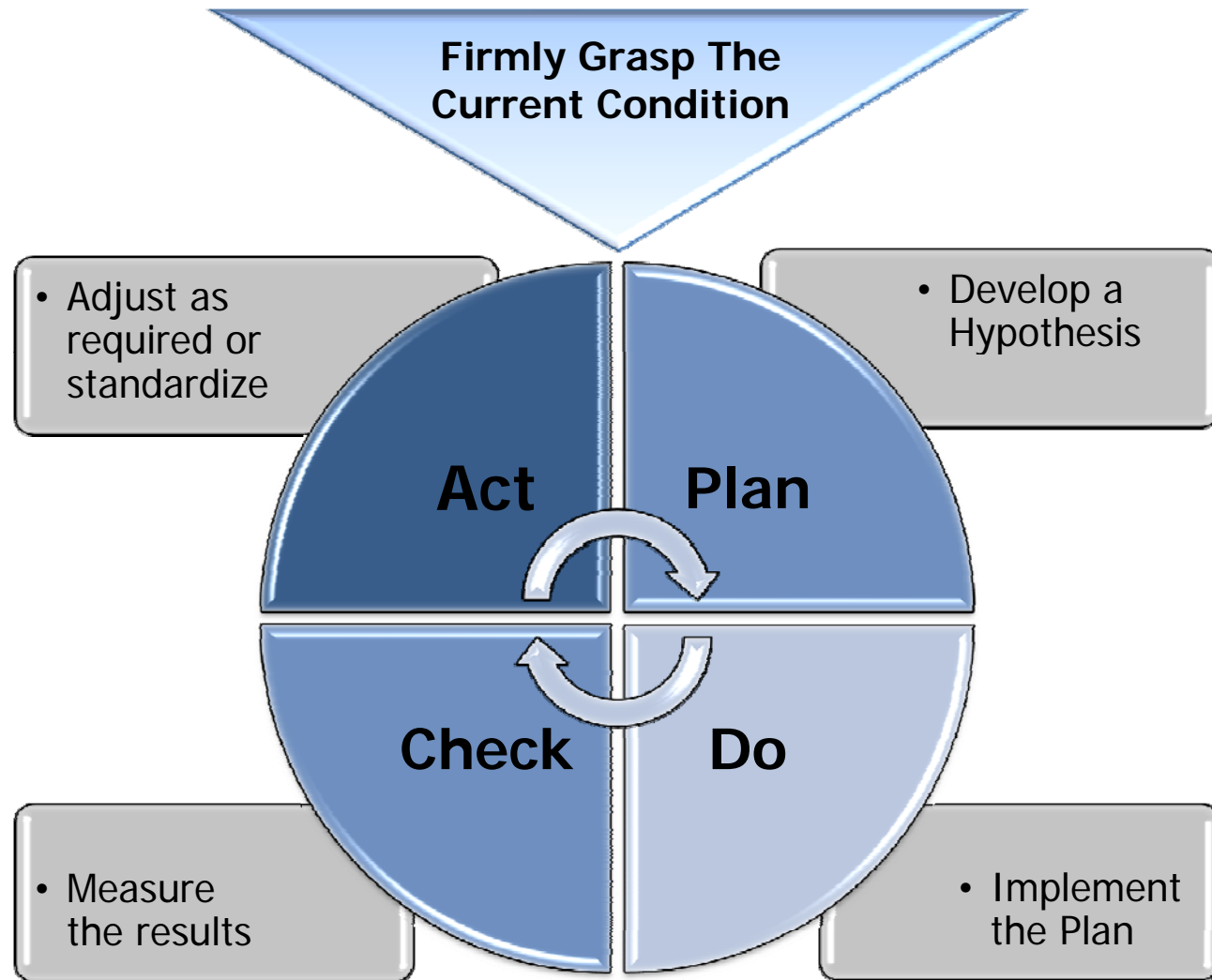
Leaders learn to create the environment for problem solving

Grow the learning across the organization

Creating a Plan for Change and Experimentation



PDCA Management



A3 Thinking

Title: What is the problem we are addressing?

A3 Sheet

Background

Future State

Current State

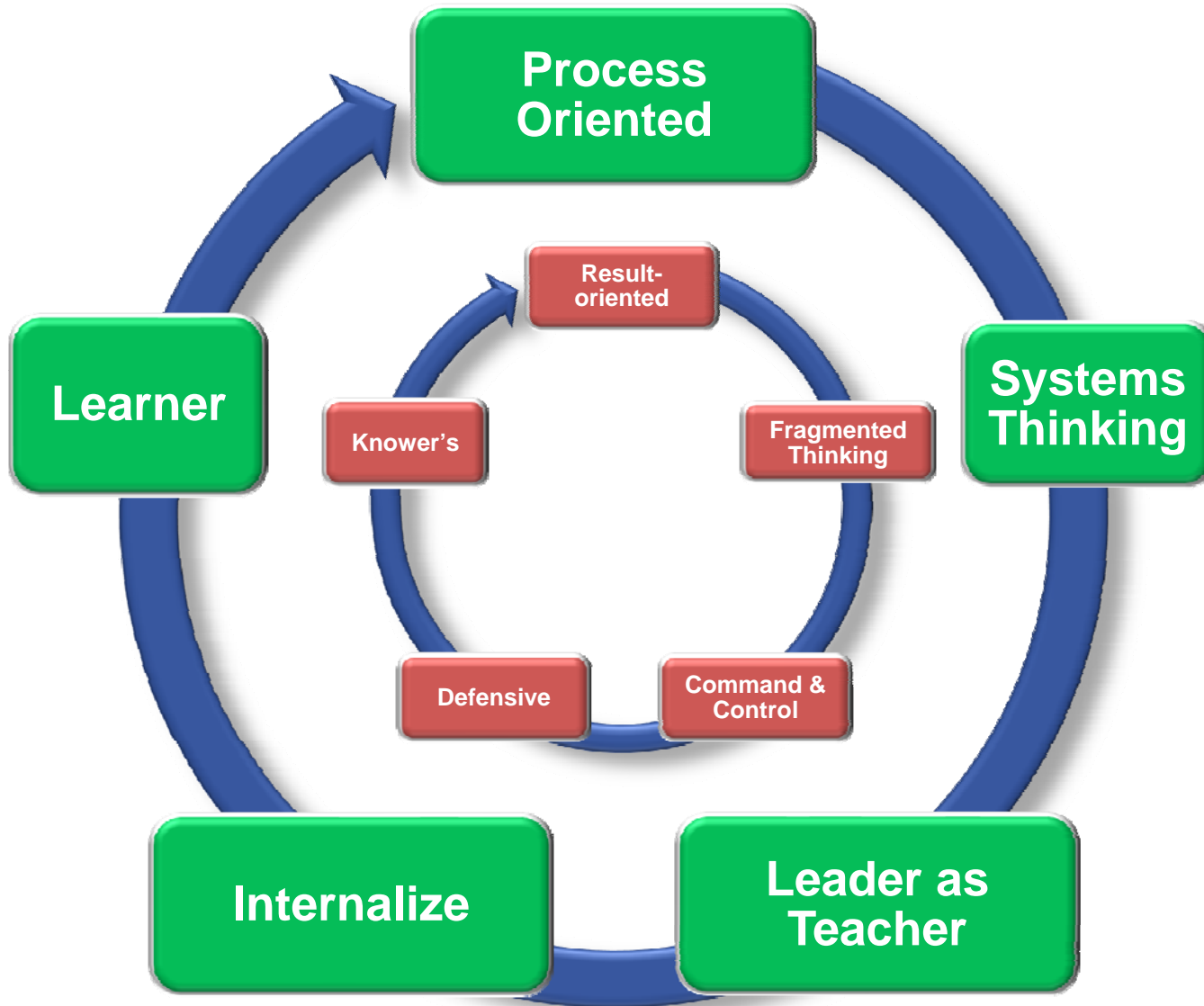
Implementation Plan

Goal

Analysis

Follow-up

Practice the Change



Thank you!!





Transformational Leadership

an experiential program for lean leaders



**2 ½ day
simulation for
developing lean
leadership skills**

Check lean.org for details

Next Steps

- **Transformational Leadership training at lean.org, click Education**
- **Visit the Webinar Library and other free resources at lean.org**
- **First annual Lean Healthcare Transformation Summit, June 9-10, Orlando**
- **Workshops for lean in healthcare, administrative, and manufacturing processes**
 - **Seattle, May 11-13**
 - **Indianapolis, June 22-24**

Questions and Answers

