

Beyond Redesign: Other Dimensions of Lean

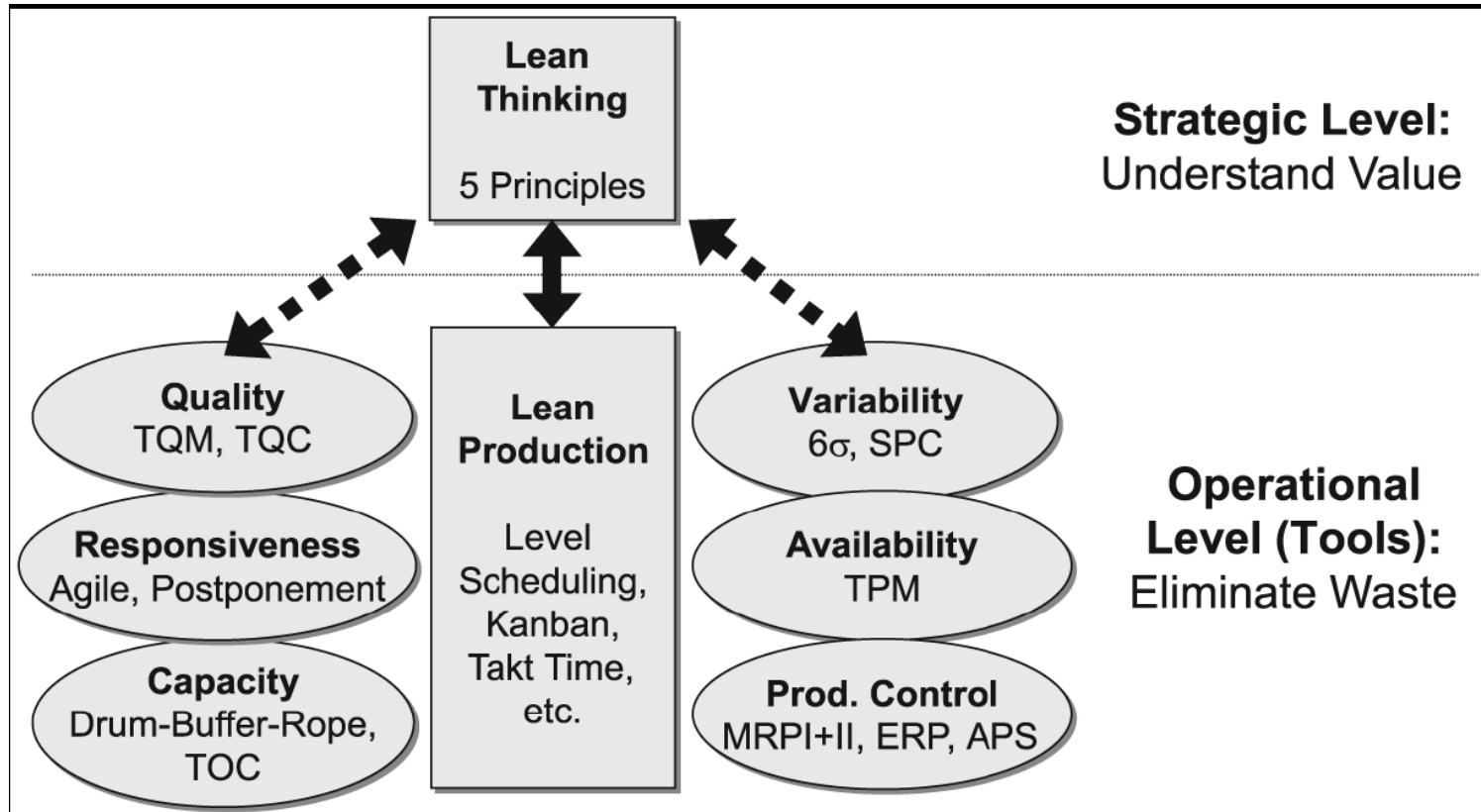
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Objectives of Presentation

- ❑❑❑ Evaluation of 'Lean' what it currently means to Public Services
 - ❑❑ Beyond Redesign
- ❑❑❑ Evaluation of outcomes and implementation challenges
 - ❑❑ What do we do other than "Kaizen Blitz"?
 - ❑❑ How do we link to strategy?
 - ❑❑ How do we view our "lean journey"?

Strategic and Operational Perspectives



Hines, P., Holweg, M. and Rich, N. (2004). "Learning to Evolve. A review of Contemporary Lean Thinking". *International Journal of Operations and Production Management*, 24, 10

Service Approach to Lean

- ⌘ A focus on customer needs
- ⌘ A process-based view
- ⌘ A systems perspective of behaviour within complex organisations
- ⌘ A focus on waste reduction
- ⌘ Employee-led continuous improvement (kaizen)
- ⌘ Management style to move from a “command and control”

Self-assessment of where you are

Patient Focus	Low	OK until Clinicians feel threatened	Technical focus only	Healthcare as a Service experience
Process View	No processes	Local optimisation	Single Org'n flows	Whole system flow
Management Style	Targets only	Mostly "command and control"	Forced teamwork	Natural teamwork
Management effectiveness	Little control	2 systems (clinical & managerial)	1 system (traditional)	1 empowering system
System Understanding	Symptomatic relief	Focus on High Impact changes	We know why Lean works	System Dynamics
Employee Involvement	None	Project-based change only	A few Kaizen Blitzes	Kaizen
System stability	Utter chaos	High error rates/delays	Some good departments	Good flow processes

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Manufacturing vs Service Lean?

**Manufacturing
lean**

**Service
lean**



**Eliminate
variation**



**Necessary
variation**

**Modular
variety**



**Inherent
variety**

**Standardise
processes**



**Mass
Customisation**

Toolkit



5 Principles

**Managed
teams**



**Eliminate
“command &
control”**

Implementing Lean

The Trouble with Kaizen Blitz:

- ⌘ Expensive to do (especially with outside help)
- ⌘ Point Kaizen is most likely
- ⌘ Integrated with strategy?
- ⌘ How many Blitzes does it take to make a lean organisation?
- ⌘ Sustainable?
- ⌘ Does Blitz change the culture?
- ⌘ Blitz has to operate within structural constraints

Beyond redesign: what else can we do?

- Integration with overall strategy – creating a vision for what the healthcare system will be like in (say) 5-10 years time
- Need to think about elements of that vision
 - Leadership roles
 - Empowerment/engagement
 - Overall supply structure and integration
 - Relationship with suppliers & commissioners
 - Clinician/management relations
 - New key themes e.g. error reduction or safety

Dynamic

Mass Customization
Modular knowledge

- Dynamic network
- Flexible combinations
- Reconfigurable

Invention
Tacit Knowledge

- In people's heads
- Not written down
- No basis for best of breed
- Training ad hoc
- Lack of procedures

Renewal

Development

Modularization

Stable

Mass Production
Articulated knowledge

- In firm's head
- Documented
- Codified
- Precise
- Training needs known

Continuous Improvement
Adaptable Knowledge

- Ongoing improvement
- Redundant know-how
- Innovation not pre-constrained
- Firm is learning

Linkage

Stable

Dynamic

Process Change

Conclusions and Workshop questions

- ⌘ We see significant differences between lean in services and manufacturing
- ⌘ Existing work in the UK is mostly only addressing the most basic operations management issues
- ⌘ A focus on kaizen blitz redesign is not tackling strategic issues

- ⌘ How much do we switch emphasis towards employee-driven activity?
- ⌘ Do we need to readjust leadership roles, even where Kaizen Blitz is already happening?
- ⌘ Are there was in which senior managers can help to integrate the whole system in Lean?