

Lean Enterprise Academy

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Leaning Your Boss

What do top managers need to learn to be able to lead a lean transformation? I get asked this question frequently. The answer is the same at every level of management. It boils down to three key things – learning to see the end-to-end processes or value streams they lead or contribute to, learning to prioritize and focus lean improvement efforts to generate real bottom line results and learning how people actually develop the problem solving skills necessary to sustain lean improvements over time. In each case understanding the true significance of these new skills only comes through experiencing them in practice.

One of the most immediate ways to teach senior managers how to really see a process is to take them for a walk with an experienced Sensei, starting with the end customer and walking back up the value stream as far as you can go. As they follow a product, a patient or a transaction all the way back upstream they will be shocked how many steps there are, how much rework goes on, how excessively long it takes and how unclear it is to everyone just what they should be doing next. This should be the trigger for a more detailed value stream mapping and data gathering exercise using the methodology outlined in **Learning to See** to flush out what is really going on.

But this is just the start. Back in the conference room after the walk ask the managers to describe what they saw during the walk and then compare this with what the Sensei saw. The managers will quickly realise they have only been looking at obvious symptoms of waste, such as piles of inventories, while the Sensei has been looking for the root causes of the instability and overburden causing all the waste in the value stream and the relatively poor performance at the end of it. Indeed managers are often shocked not just how oblivious they were of the process but also how blind they were to the causes of the way the process actually operates.

While this wake-up call is still fresh in their minds ask the Sensei to take them on a second walk to really learn to see what to look for in diagnosing what is wrong with today's process and to see what the next steps should be. Do this on a regular basis along different value streams and at the same time the Sensei can introduce them to all the theory and tools step by step as they become relevant to the actions that need to be taken.

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Once senior managers begin to see for instance how much cash could be freed up by streamlining core processes the next step is to work out how to go about releasing it. What actions in what value streams would release the most cash, if that is the key business objective? A second "walk" led by a Sensei would introduce Toyota's policy or strategy deployment process, described in **Getting the Right things Done**. Step by step they will learn how to agree to only focus on a vital few business objectives or performance gaps that need to be closed and to deselect everything that does not contribute to closing these gaps (which is perhaps the hardest thing to do). They will learn how to conduct a dialogue with each layer of management right down the organisation to develop plans for the actions that will close these gaps. And they will monitor and adjust these plans as events unfold. In the process they will come to learn that good results come from good processes, not from issuing targets without an agreed method for achieving them.

Creating lean value streams involves progressively removing all the buffers that previously insulated every activity from any failures elsewhere. Although the performance of the process improves dramatically, so does its vulnerability to any kind of disturbance. Even in Toyota they assume that their lean processes will be continually subject to interruptions. So the key to sustaining these lean processes is the ability of the people running the process to respond quickly to interruptions as they happen and to track and eliminate the root causes of persistent problems. In other words developing the problem solving skills of employees at every level is at least as important as redesigning the value stream itself. This is why Toyota spends so much time training all their staff to think about planning actions and problem solving in a common way, using the A3 thinking process described in **Managing to Learn**.

So in **Learning to See**, **Getting the Right things Done** and **Managing to Learn** you have the basis for developing the initial insights top managers need to begin their own lean journeys.

Yours sincerely

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