

LEA E-letter - March 2006
Developing Problem Solvers

Daniel T Jones

Dear Lean Community Member

We traditionally see an organisation as a collection of departments or activities, each managed separately and each separated from the rest by inventories or time buffers between them. Performance is improved by setting targets and budgets. When these are not met we change the managers and if that does not work we restructure the organisation. We instinctively reach for structural solutions because they are quick and relatively easy. However the underlying processes and cost structures remain more or less unchanged.

When I walk round any organisation I see it as a collection of customer processes (if it is a service delivery organisation like a hospital), design and production processes (creating the value the customer is paying for) and many support processes that enable these value creating processes to flow. The task is to identify the value in each of these processes, to see and manage the end-to-end flows and to synchronise the support flows.

If I can not see the end-to-end flow through production, then neither can employees and managers. So the first task is to help them see their processes and to uncover the reasons why they do not flow. Quite often this means looking at the impossibly complex mix of products they are attempting to flow through their processes. It also means challenging the batch logic of their planning systems trying to schedule every product or batch through every operation. Getting over this hurdle creates the conditions where we can begin to flow most products through the entire process. It also creates the stability necessary to develop standard operations in every process step, which is the baseline for continuous improvement.

As well as looking down at individual processes, I also want to fly a little higher and look down at the organisation as a whole. What are the major flows through the organisation and how do all these processes interrelate? I have in mind a fishbone diagram, overlaid on the organisation chart. The value creating processes form the backbone and all the support processes are the fins. Once we can see how an organisation flows then I am sure we will see even more opportunities for improving it.

The distinctive thing about lean thinking is that it derives from observing best practice organisations and not from theory (which is why academics have such a hard time understanding lean). The lean principles distil the cumulative experience of thousands of people who have spent their working lives solving the problems that enable processes to flow, and to do so in line with customer demand.

The core expertise required to create and improve processes is a scientific approach to problem solving close to its source. Every problem is an opportunity to improve the process and every problem is also an opportunity to develop your people. The two go hand in hand.

So the second thing I look for is how good the organisation is at seeing and surfacing all the interruptions and hiccups in their processes. Are these recorded as they occur and what are the processes for responding to them? Are they delegated to an expert group to solve or is everyone involved in some kind of problem solving activity?

If so, is there a common approach to problem solving across the organisation and a common language for communicating the diagnosis and the results? Is there a policy deployment framework for aligning and prioritising problem solving activities in line with the business goals of the organisation?

More than anything else do managers lead by developing the abilities of their staff to solve problems, at every level in the organisation and throughout their career? Do employees look up to their superiors for the answers to problems or do managers guide their staff to find the right solution by asking the right questions?

Answers to these questions reveal the real management challenge and opportunity from lean thinking. Process thinking is fundamental to delivering increased value to customers at lower cost. But this in turn relies on an infrastructure for communication and problem solving and a management committed to continually developing the problem solving capabilities of its people, from the top to the bottom.

Yours sincerely
Daniel T Jones
Chairman, Lean Enterprise Academy

PS. Last chance to join our next set of public workshops on March 29-31, details on www.leanuk.org. I shall be in Australia for the Healthcare Summit in Adelaide on March 28-29 and the Lean Summit in Melbourne on April 4-5.