



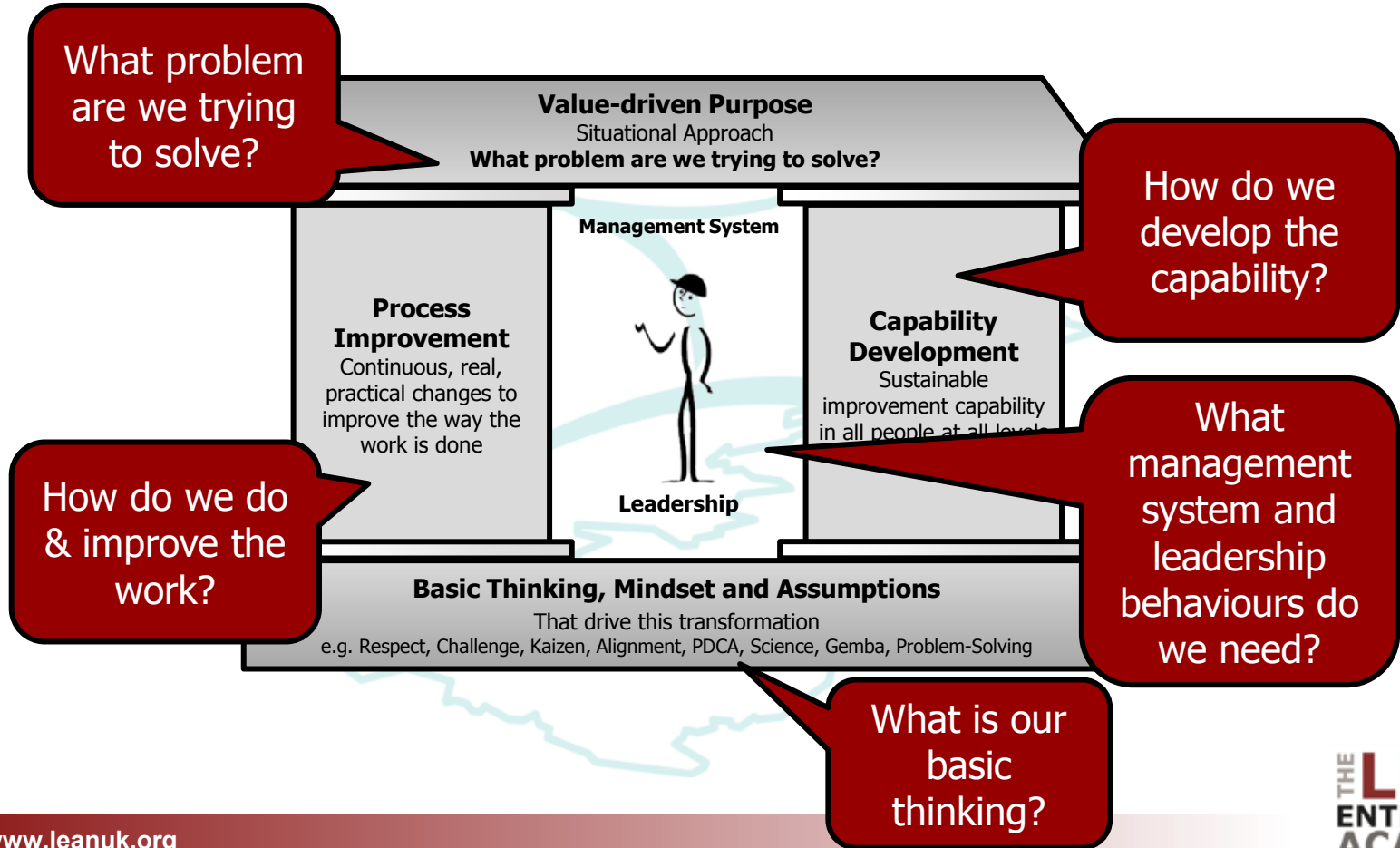
# Lean Learning Experiences

*UK Lean Summit –  
Learning Lean, Lean Learning*

David Brunt

November 16<sup>th</sup> 2016

# Lean Transformation Framework



# Lean Transformation Framework Example

Halfway Team-X Strategy

January 2013 (Version 2)



## Customer Value

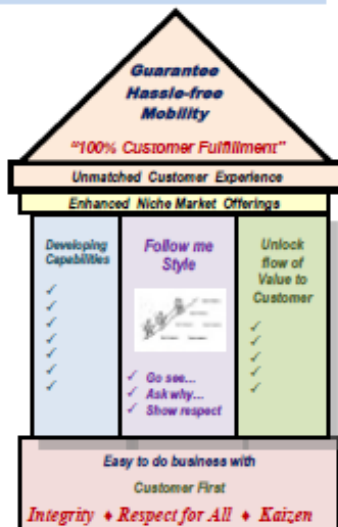
- ✓ Acquiring & Servicing Vehicles
- ✓ Receiving Unmatched Customer Experience
- ✓ 100% Customer fulfillment
- ✓ Right First Time – F.I.R. 100%  
On Time – OTIF 100%
- Every Time, in less Time
- ✓ Customer convenience & minimum interruption to mobility

## Our Goals

- ✓ Nett profit ( % Turnover ) > 5%
- ✓ Absorption ( supporting depts ) > 100%
- ✓ New Vehicle sales > 8% of TSA dealer sales > 8000 units
- ✓ Used:New ratio 0,75:1 (or 6000 units)
- ✓ Service Retention 80 % of 5 year sales (exc. taxi)
- ✓ Increase share of customers motoring spend

## People

- ✓ Develop problem solving capability of managers & Staff
- ✓ Practise Genchi Gembubu
  - Asakai
  - GG walk
  - Kaizen reviews
- ✓ Use scientific method to evaluate & analyse GAPs & set experiments (PDCA)
- ✓ Spread Team Leader concept to implement Standard Work
- ✓ Develop capacity – A plan for every person
- ✓ Use questions to encourage focus on "Grasp the Situation", Go to See & PDCA
- ✓ Use A3 to make thinking clear & coach
- ✓ Kaizen (CI) review at regular intervals with each value stream team
- ✓ Develop proficiency in Improvement Kata & Coaching Kata to evolve Halfway Kats
- ✓ Expose staff to Purpose & Process to get alignment & participation in goal setting
- ✓ Develop basic skills proficiency ... Sales: product knowledge, Service : diagnostics, Parts : Interpretation, Used : Valuation, F & I : Getting Finance Approved, Service Advisors: 7 Step Process, Managers : Coaching



## Process

- ✓ Stabilise
  - ✓ Make problems visible
  - ✓ Brilliant Basics
  - ✓ Easy to do business with
- Focus on Improving :
- Quality
  - Delivery
  - Controlled compression of Time
- By Service (improve CF to 100% by F.I.R) :
- Schedule predictable work
  - Standard work defined for predictable work
  - Keep high volume predictable work in flow
  - Staggered bookings & heijunka
  - Initiate the service booking
- By Sales (improve CF to 100% by OTIF) :
- Plan for every car (make plan of work visible)
  - Reduce leaks in Sales funnel (standard work in sales process)
  - Plan for every Customer (stage in buying cycle visible)
- Increase Number of Customers
- Focus on defensible underserved niches
  - Reactivate existing database to fill funnel
  - Demonstrate superior skills, knowledge, understanding & visible interest in key niche
  - Expand base by access to Finance

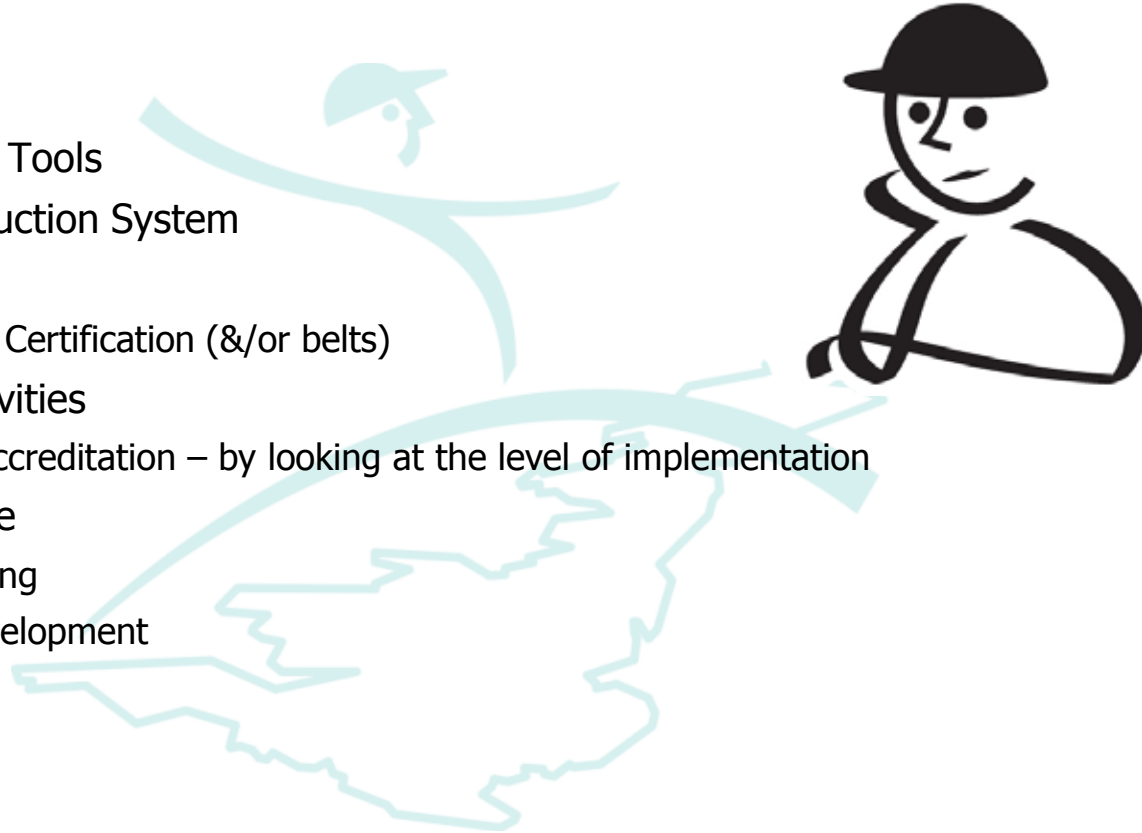
# Lean Transformation Experience So Far

- We know lean will work anywhere!
  - But – Not every organisation is successful
  - In fact most probably aren't!
- Therefore (probably) the most important problem to solve is to understand:
  - Why initiatives fail?
  - Why implementation isn't as fast as it could be?
- Finding out can only be learned by doing!

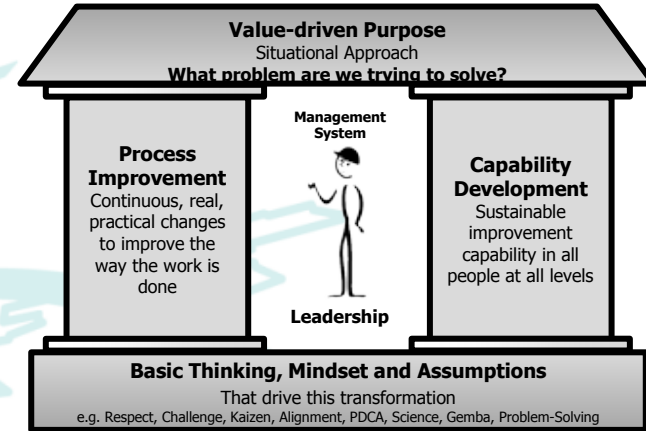
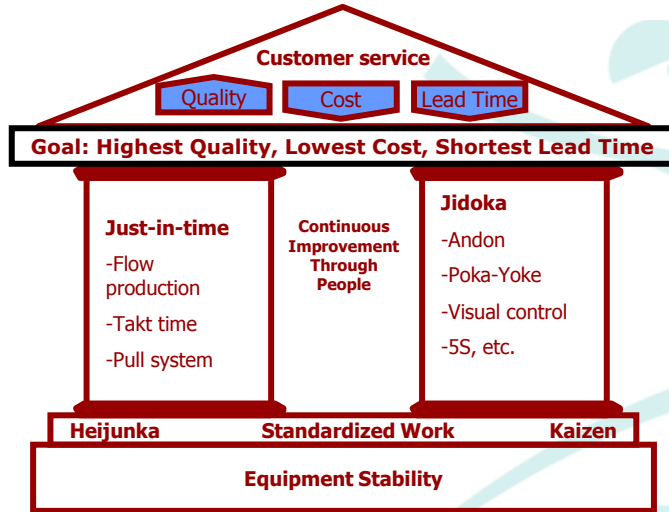
**Change: Right First Time, On Time**

# Lean Transformation Experience So Far

- The Kaizen Event
- Implementation of Tools
- Developing a Production System
- Training courses
  - Accompanied by Certification (&/or belts)
- Benchmarking activities
  - Certification & Accreditation – by looking at the level of implementation
- Behavioural change
  - Leadership training
  - Team leader development
- Etc. etc.



# Solutions or Questions?



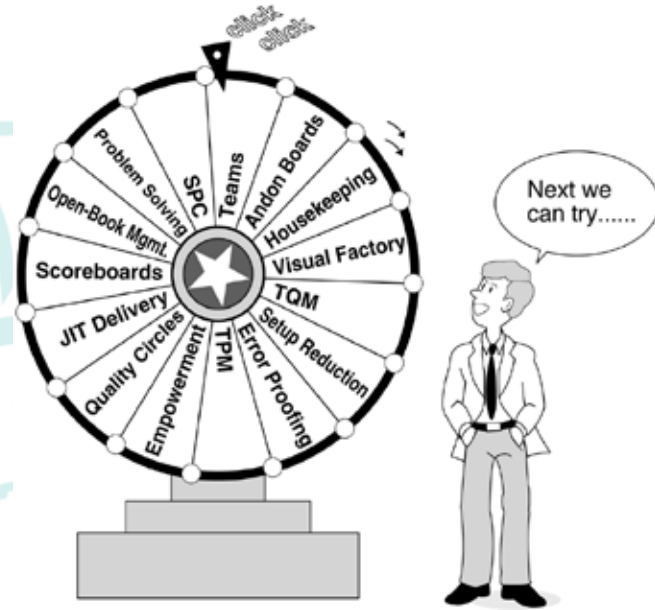
- Can organisations implement lean by copying someone else's solutions?

**Change: Right First Time, On Time**

# Why Lean Learning Experiences?

Techniques → System → Thinking

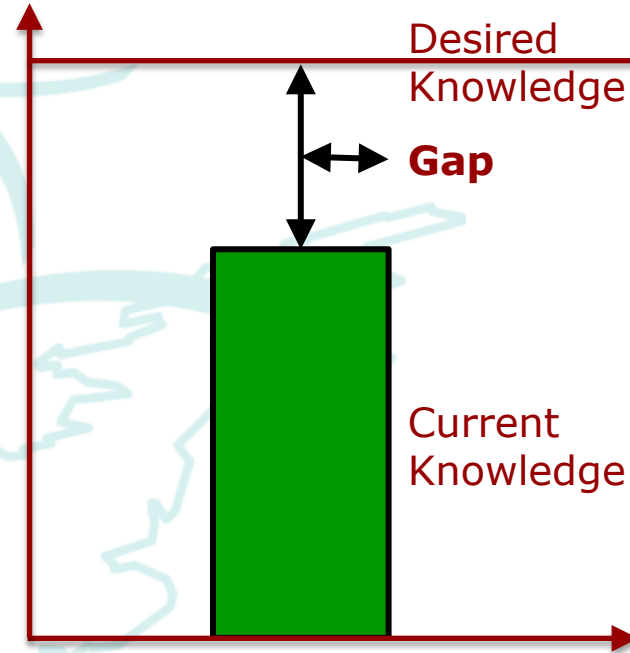
- Cherry-picking the tools is not enough
- The tools comprise a system
  - Focus on the flow of value to create a system
- A way of thinking underlies the tools and system



**Learn the thinking through doing**

# It's Time to be Explicit About the Gaps we have Between our Desired & Current State

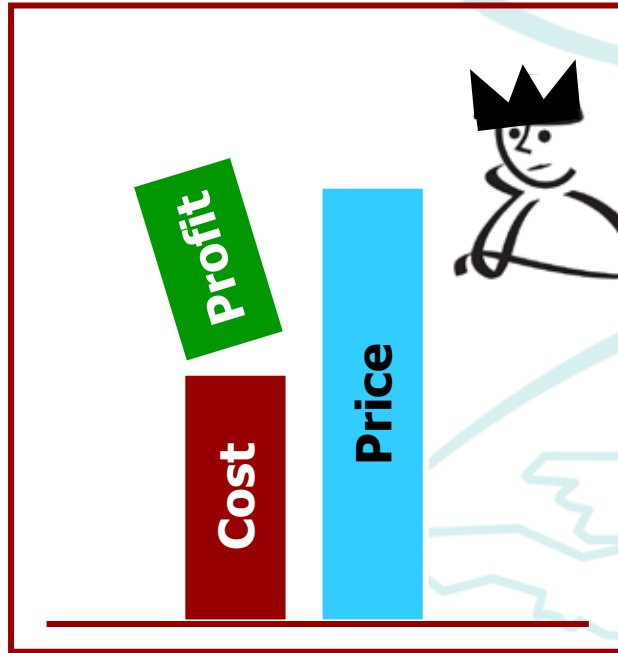
- When problem solving we define the gap(s) to close
- What are the gaps we need to close to successfully improve?
  - Knowledge of the work
  - Skills & Capability
  - Desired Behaviours
  - Others?



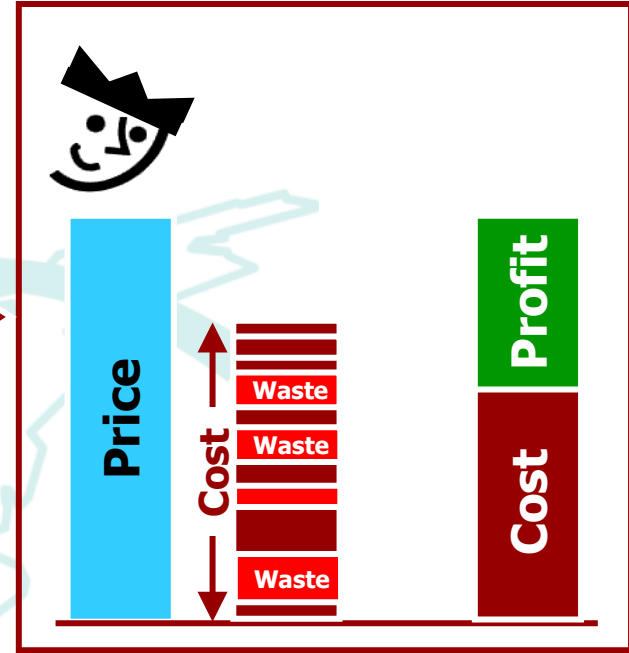


# How do you Make a Profit?

Cost-Plus  
**Cost + Profit = Price**



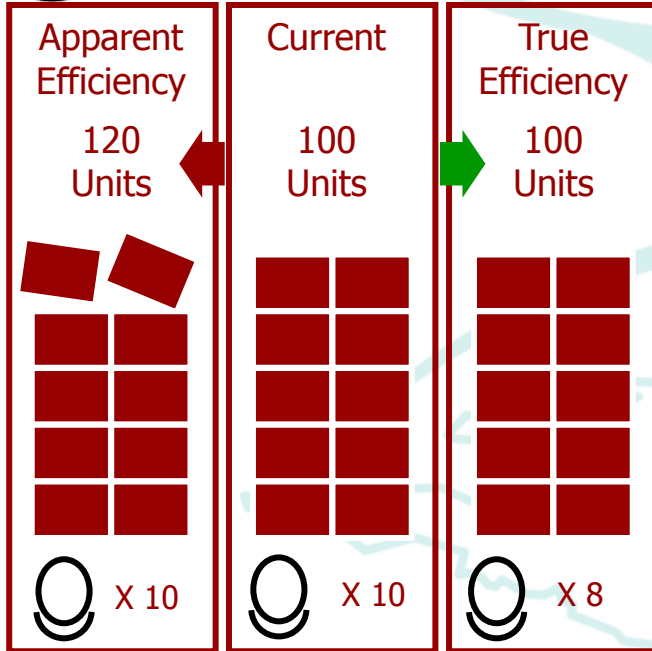
Price-Minus  
**Profit = Price - Cost**



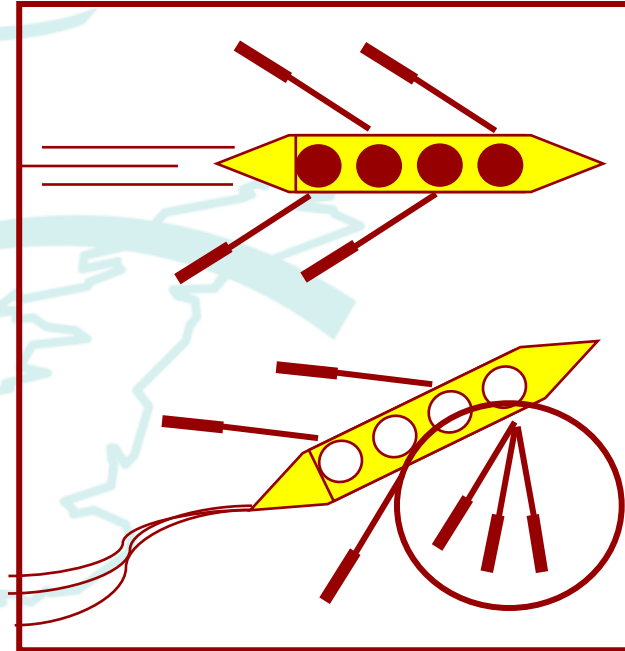
# What is Your Philosophy of Efficiency?



Apparent Efficiency vs  
True Efficiency  
**100 Units**



Local Efficiency vs  
Total Productivity



# Overproduction: The Worst Form of Waste!

- = Making more than is required by the next process
- = Making earlier than is required by the next process
- = Making faster than is required by the next process



**Batching isn't just bad, it's EVIL!**

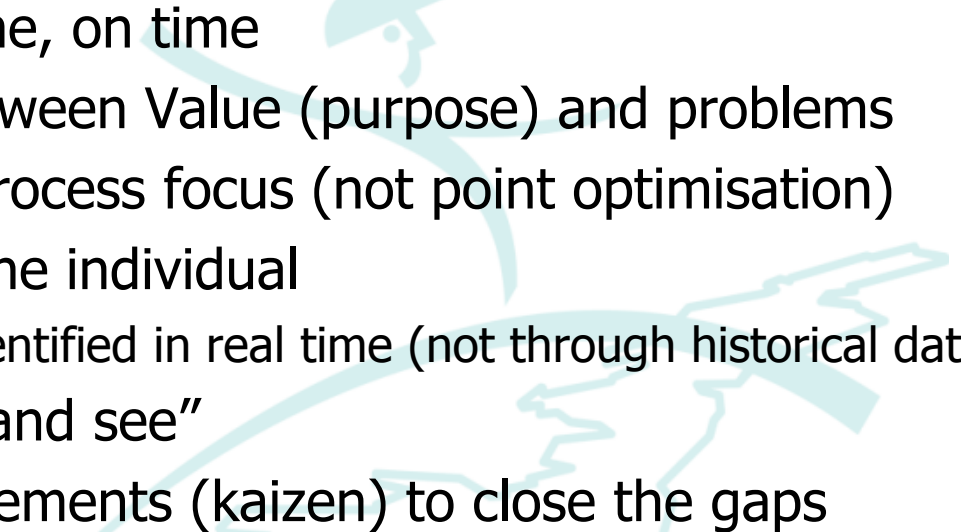


# Lean Learning Experiences

## *Experience 1: Value Driven Purpose*



# Customer Fulfilment

- Right first time, on time
  - Clear link between Value (purpose) and problems
  - End to end process focus (not point optimisation)
  - Respect for the individual
    - Problems identified in real time (not through historical data capture)
  - Ensures “go and see”
  - Small improvements (kaizen) to close the gaps
- 



# Lean Learning Experiences

*Experience 2:  
Understanding & Improving the Work*

# The Case: Customer Arrival

## *Grasping the Situation*

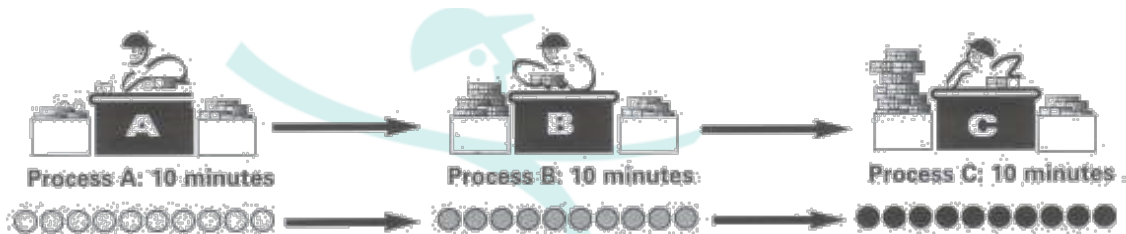


- Current Condition
  - One entrance, one exit to the workshop
  - Long customer queue
  - Service advisors go out to the queue to get ahead
  - 7 minutes to see a customer
- What's the Problem?



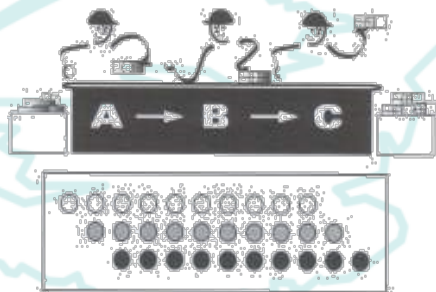
# Continuous Flow Processing

## *Batch & Queue (Push) Processing*

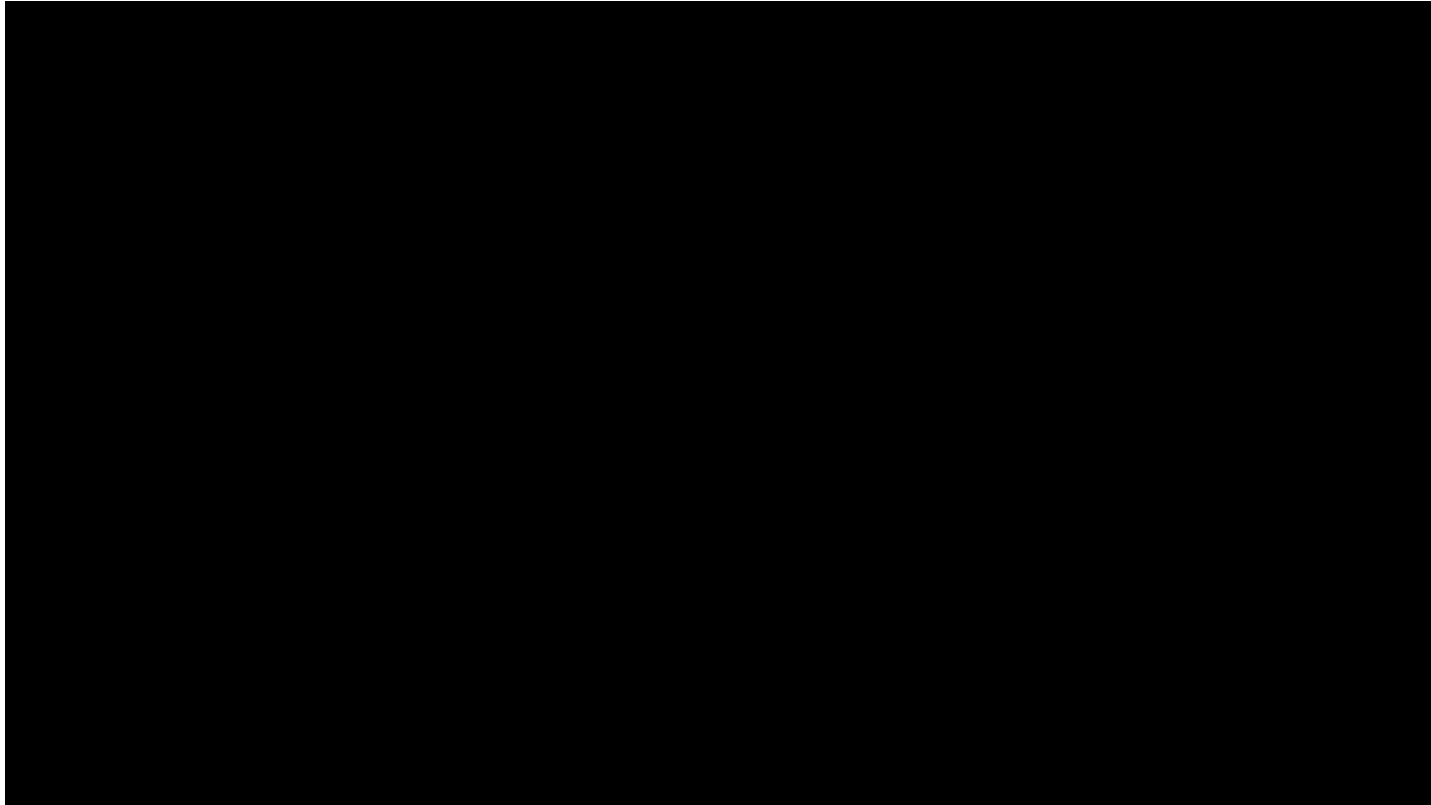


**Lead Time: 30++ minutes for total order. First part: 21 minutes**

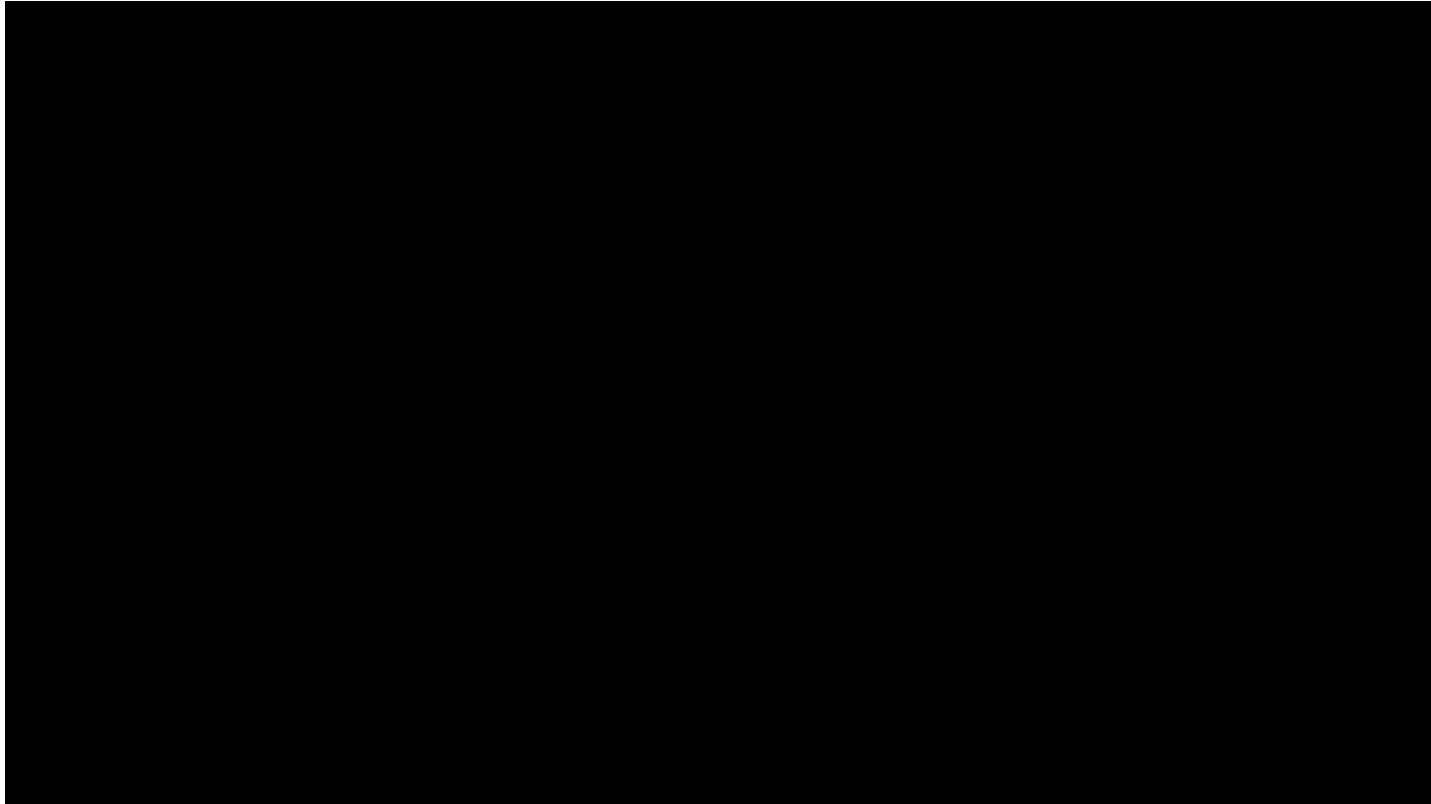
*Continuous Flow "make one, move one"*



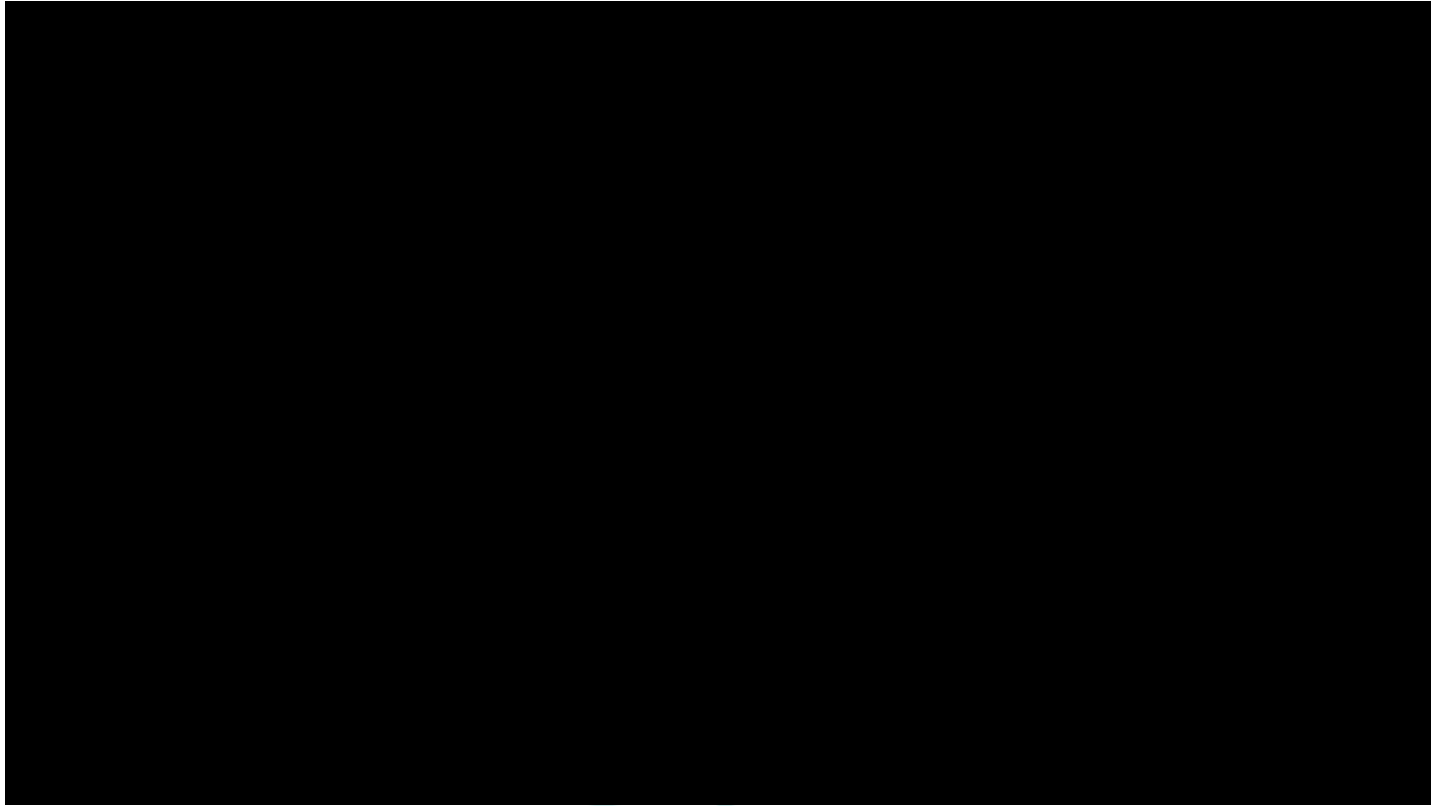
# First Experiment: April 2015



# Experiment: May 2016



# Experiment: October 2016



# Summary: Understanding & Improving the Work

- Focus on the work
- Experience the power of:
  - Observation to understand the problem
  - The difference between value and waste
  - Meeting the customer demand
  - Limiting Overproduction
  - One-piece-flow
  - Improved layout – spaghetti charts
  - Creating stability
  - Standardised Work

# But Don't Forget to Develop Capability

- Knowledge of the work – value and waste
- To do the skill
- Promote kaizen
- Develop people
- Build teamwork
- A way to behave to get the best from people

# Two Stage Fixed Time Service



# Two Stage Fixed Time Service

- In Station 1 the work on the floor is carried out in under a 10 minute cycle time (takt = 10 mins)
- The vehicle then moves to Station 2 where the vehicle is raised and the remaining work is carried out

	Cycle Time	Vehicles per Day	Lead Time
Traditional Workshop	Variable	4 to 5	One Day (8 hours)
Fixed Time Service (FTS)	30 minutes	16	30 minutes (60 including valet)
Two Stage (FTS)	10 minutes	48	20 minutes (41 including valet)



# What I Really Learned

*18 Years after we did the 1<sup>st</sup> bay with 2 technicians on a car!*

- The power of deep observation
  - Even when you have been doing something for years
- Having the idea is worthless
- Implementing the idea is pretty worthless
- UNLESS – the people you are working with understand the principle you are trying to teach
- THEREFORE – what I really learned is that we should try to create LEAN LEARNING EXPERIENCES to teach principles rather than implement our ideas
- Good lean learning experiences = good process
  - If process is good then results can be good

# Implications

- Lean teams have a great opportunity
  - Instead of managing a programme and thinking you can roll lean out, how can you create learning experiences for people so they can do lean themselves?
- Managers have a great opportunity
  - They can find themselves a teacher (internal or external) that they can bounce ideas off and gain the confidence from to try something different



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November 16<sup>th</sup> 2016