

# MAKING LEAN STICK

*What do Lean Leaders Do?*



Lean Enterprise Institute

# *Webinar “Housekeeping” Suggestions*

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**Freddy Ballé**  
architect of the Lean  
Production Systems at Renault  
Industrial Vehicles, Valeo,  
Sommer-Allibert and Faurecia  
and co-author of *The Gold  
Mine*

**Freddy Ballé** worked as a manufacturing and engineering manager at Renault for 30 years where he was manufacturing engineering director and then industrial vice president for the Renault truck business, Renault Industrial Vehicles. He started visiting Toyota plants in Japan in the mid-1970s, where he discovered the power of the Toyota Production System. On leaving Renault, Freddy became technical vice president of Valeo, where he created the Valeo Production System, based on Toyota practice, which pioneered lean implementation in continental Europe. He was then CEO of the French automotive supplier Sommer-Allibert, where he introduced the Sommer-Allibert Excellence System. He wound up his corporate career as technical vice president of the French automotive supplier Faurecia as it implemented the Faurecia Excellence System. In recent years Freddy has founded ESG Consultants ([www.esgconsultants.com](http://www.esgconsultants.com)) to advise industrial clients on making the lean transformation described in *The Gold Mine*.



# A lean system rests on the plant managers

The main success factor of lean implementation is the motivation of the plant managers to apply lean principles in their plant to satisfy their customers

This means being on the shop floor daily to challenge and support teams in the day-to-day application of the lean system

Each new improvement on the shop floor reveals new problems

Solving these new problems is the basis of continuous opportunities for improvement



# Lean activities must be linked to budget

There are two ways of making a budget: cut all the “non-essentials” or improve day-to-day operations

Show the plant managers how using lean tools helps them make their budget and prepare their plant for the future

Lean activities have to be linked to performance on key QCDS indicators

If lean activities don't deliver “hard” financial results, problems have not been explored rigorously enough





**Michael Ballé**  
associate researcher at  
Telecom Paris, co-founder of  
the *Projet Lean Entreprise*,  
consultant and co-author of  
*The Gold Mine*

**Michael Ballé**, business consultant and author, is co-founder of the *Projet Lean Entreprise* ([www.lean.enst.fr](http://www.lean.enst.fr)). This is France's leading lean initiative, conducted in collaboration with Telecom Paris, where Michael is associate researcher. For over a decade, he has focused on the human implications of lean implementation in fields as diverse as healthcare and administrative processes. He has published several books on these topics. He is Freddy's son.



# *Produce people before producing parts*

Learning to see on the shop floor requires an emotional attitude:

- Waste
- Overburden
- Stop-and-go

Develop people by getting them to solve problems rigorously in the lean way, so they learn about their processes

Solve problems by quick experiments: just do it now, but check carefully the results of every trial



# Learning by doing

People “get it” through doing it, and doing it again: every customer matters, every part counts, every operator has suggestions

“Getting it” means constantly improving “normal” operations, and focusing on every operator cycle, then encouraging operators to suggest ways to improve

Visual standards are key: establish ways to see standard conditions at a glance and use gaps as an opportunity for improvement

Developing a lean culture is reaching a critical mass of people who “get it”: don’t give up until you do





**Gary Berndt**  
sr. vice president, manufacturing  
and supply chain, Andersen  
Corporation

**Gary Berndt** has more than 25 years of experience applying lean principles in a variety of industries. Before Andersen, he was chief operations officer for LSG Sky Chefs, the world's largest provider of quality in-flight catering, serving 270 airlines from more than 200 facilities in 48 countries. Berndt was responsible for 97 locations in North and South America. Prior to LSG, Berndt served as director of production control and logistics for Delphi Automotive Systems, where his responsibilities included implementing lean in 79 plants. Berndt also worked for several divisions of GM, where he led, trained, and implemented lean manufacturing in 38 assembly and component plants. He spent three years in Ruesselsheim, Germany, for Material and Production Control Europe, where he guided the lean conversion of 24 assembly and component plants. In addition, Berndt spent over six years at GM's Saturn Corporation in a variety of management and supervisory positions.



# *Operationalize the changes you seek*

Create an environment of change by rewarding those who implement lean

Standardize the approach

Don't overwhelm the organization with external resources

Create clear link from lean activity to goals and bottom line





**Cynthia Swank**  
vice president, business  
development and team lean  
Lincoln Financial Group  
(formerly Jefferson Pilot Financial)

**Cynthia Swank** is vice president of Business Development and Team Lean at Lincoln Financial Group (formerly Jefferson Pilot Financial - JPF). In her previous post as vice president, Finance, she led the redesign of the department and implemented leading-edge technology. She also created the Strategies, Operations, and Systems team to champion technology initiatives for Customer Service and Finance.

In 2000, she led the lean implementation efforts at JPF and created the Strategic Project Office. In October 2003, she published an article in the Harvard Business Review highlighting the benefits of lean in a service environment. Last year, assumed a new post created to grow the company's Life and Annuity businesses. Before joining JPF, Swank was vice president and controller for Acacia Mutual Life in Washington, DC. She started her career with Ernst & Young and held a variety of finance positions at Rexnord Automation and United States Fidelity & Guaranty in Baltimore, Maryland. Through her career, she has focused on being an effective change agent.



# ***Convince skeptics, ease fears, enable everyone to learn***

Run successful pilots to prove that lean efforts can produce major improvements

Use visible and commonly-understood metrics of success that apply to each step of the value stream

Take management to the gemba to see work and ask questions

“Don’t be a hero”



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## Getting the most from *The Gold Mine* and the companion *Leader's Study Guide* after the webinar...

The bound 41-page *Leader's Study Guide* will be provided free with every 5 copies of *The Gold Mine*.

The Guide will also be available for purchase for \$10 each from the LEI website.



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