

# THE LEAN MANAGER



by Michael Ballé  
& Freddy Ballé

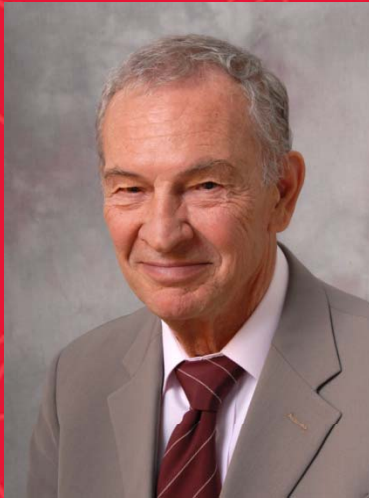
*A free webinar offered by the* **Lean Enterprise Institute**

# Housekeeping

- To enlarge slides, use the magnifying glass icon just beneath the slides and to the right on your display console
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# About the Speakers



## Freddy Ballé

Freddy Ballé started visiting Toyota plants in Japan in the mid-1970s while head of product planning and later manufacturing engineering at Renault, where he worked for 30 years. Upon leaving Renault, he pioneered the full lean system implementation at Valeo as Technical Vice President, then at Sommer-Allibert as CEO, and later at Faurecia as Technical Vice President. With his son, Michael, he has founded ESG Consultants to advise CEOs and senior executives on making lean transformations as described in *The Lean Manager*.

# About the Speakers



## Michael Ballé

Michael Ballé, Ph.D., is a business researcher and consultant and has studied lean transformation for the past 15 years. He is Associate Researcher at Télécom ParisTech and the co-founder of the French Lean Institute and the Projet Lean Enterprise. With his father, Freddy, he coaches CEOs and senior executives in using lean to radically improve their businesses' performances and establish lean cultures.

# Change your mind

- Freddy will discuss *what* we most need to change our mind about
- Michael will discuss *how* we can change our mind, by practicing every day

# Freddy Ballé

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# Right person, right method

- The lean method doesn't take away the need for the right person in the job: the plant manager is the key to getting benefits from lean
- Plant managers need to “get it”: they have to do, frequently, and learn as they go
- They also need to have a sound judgment on people to build high performing teams

# “What are you paid for ?”

- The first task of the plant manager is to implement a visual management system and to go to the shop floor and evaluate at all times the state of any process or stock
  - normal condition
  - not normal condition
- The plant manager needs to train his/her team to protect the customer by reacting immediately to abnormal condition and to look for root causes and solve problems one by one

# Go and see

- The plant manager should continuously practice “Genchi genbutsu” , which means “go and see”
- The temptation is always very strong to discuss problems in a meeting room rather than to go “down” to the shop floor and get facts at the source
- The broken foot of Mr. Shuei Toyoda

# Quality = Sales

- Unfortunately, people only “get” the importance of quality when the customer cancels an order; lean managers create this urgency before customers walk out
- EVERY customer complaint must be investigated immediately and thoroughly to understand what caused the problem and to make sure bad parts are stopped in the process itself



# The importance of leveling

- The more you progress in lean, the more you realize the importance of leveling - this is also a good test of how much people “get it”
- You need to learn to check the leveling of the production plan; then the leveling of the leveling board; and then how kanbans and shop stock interact



# Talk with the customer

- An essential point to be discussed in detail with the customer is the leveling of the demand: there is a definite shyness among production people to look for the person in charge of scheduling in the customer organization
- Once identified, you need to build a relationship through frequent contact to make them understand that not leveling has an impact on them as well



# Care for people

- Trying to apply the tools of continuous improvement without respect for people is like trying to walk on one foot
- If we ask people to participate we should listen and care for them
- Plant tours show that management, even theoretically convinced, has mental blocks in practice

# Last but not least: the budget

- We apply lean to make money: to get his hierarchy's support for his lean activities the plant manager must show the positive impact on his budget
- Improvement should be measured by physical indicators; the impact on financials has to be obvious

**Michael Ballé**

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# Get Everyone Engaged

- We are trained to look for global solutions, which solve global problems; this usually involves investment in equipment and systems, and flounders at implementation
- The lean approach is about involving everybody, everyday in thinking about customers, work and processes: 100x1%, rather than 1x100%. The payoff is in making people pay attention and think!

# “Know” rather than “think”

- We’re taught to rely on our “gut feel” and our “instincts” - and then all the ways we can “sell” our solution to others, in order to get “buy in”
- In lean, we want to know, rather than just think - and we will know by the number of times we’ve got it wrong. Lean is about building deep knowledge of processes and sharing problems with people so that solutions are easily accepted and implemented

# Find out through Kaizen

- Knowledge doesn't come from profound thinking in the ivory tower, knowledge comes from getting on the bike, falling off, picking yourself up and doing it all again
- Kaizen is the way to deepen our knowledge by testing our assumptions in the real world in controlled situations. Kaizen is hard at first, but if you practice it everyday, it becomes fun!

# Test then design

- Most of our thought is nothing else than the reaction of our memory: there is very little thinking involved. We often throw stuff on the wall and see what sticks
- The thinking revolution of lean is to design the test before the solution: before doing anything clarify the standard and define the test method

# Develop confidence

- Confidence is the key to get every employee aligned on creating value for customers. Developing confidence is a key part of the job:
- Sharing the company's objectives with the frontline employees: we're not piling stones, or building a wall - we're building a cathedral!
- The pull system gives real autonomy to people because they know at any time what they have to do now, what they have to do next and how well they're doing

# Grow mutual trust

- Mutual trust is the key to engagement and getting people to take controlled risk and be willing to put “problems first”
- To develop mutual trust, you must thank people when they bring you a problem, and show that every problem is legitimate and will be taken seriously, even when there’s no obvious answer
- Then support people in solving problems themselves rather than do it for them - to work together at the front



# Making people before making products

- There is no manual, no roadmap, no rule book - there is a lot of shared experience and understanding how the same tools work in different environment
- There is a golden rule: making people before making parts - through visual management, kaizen, self study and applying PDCA to all our work activities

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# The Lean Managers' Conference

A One-Day Conference

December 8, 2009

Orlando, FL

## Keynote Speakers:

### John Shook

Senior Advisor  
Lean Enterprise Institute  
and author of  
*Managing to Learn*  
Co-author of  
*Learning to See*

### Michael Ballé

Consultant  
and co-author of  
*The Gold Mine* and  
*The Lean Manager*

### Jerome Hamilton

Global Director,  
Lean Six Sigma  
and Business Initiatives  
3M

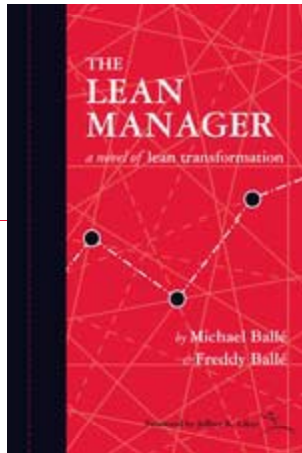
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***The Lean Manager***  
by Freddy & Michael Ballé

&

**The Gemba Coach**  
a column by  
Michael Ballé

# Questions & Answers



Freddy Ballé



Michael Ballé

# Womack on Lean Management: A Live Video Event



Join Jim Womack, LEI Founder and Chairman, and co-author of Lean Thinking, for a live video presentation on Lean Management. In this 2-hour event you will hear the lean thought leader share his unique perspectives on lean management and have the opportunity to ask questions.

**October 13, 2009**    **Register at [lean.org](http://lean.org)**  
Space is Limited!