



**Media Contact**  
Chet Marchwinski  
[cmarchwinski@lean.org](mailto:cmarchwinski@lean.org)  
Phone 203 778-0670

IMMEDIATE RELEASE

***Lean Solutions: How Companies and Customers Can Create Value and Wealth Together***

by James P. Womack and Daniel T. Jones

Brookline, Mass. -- After years of struggling, the world's leading companies have solved the big problems on quality. Now it's time for the customers to stop feeling like they're losing.

Better products produced by better processes should lead to happier customers, right? Wrong. In fact, quite the contrary. Today's souped-up phones, beefed-up cars and gee-whiz computers are truly impressive products. And yet they end up causing more misery because everything surrounding their consumption is broken. This situation extends to virtually all of a consumer's interactions, from fixing your car to seeing your doctor. Companies creating these goods and services have less customer loyalty, greater challenges in fulfilling orders and a general sense of dissatisfaction in closing the loop with their core customers. In short, no one is happy.

James Womack and Daniel Jones, whose groundbreaking book *Lean Thinking* ushered in a movement, which eliminated waste in producing goods, now offer new insight and solid solutions to the current consumer mess. In *Lean Solutions: How Companies and Customers Can Create Value and Wealth Together* (Free Press; October, 2005; hardcover), the authors take a hard look at eliminating waste and inefficiency during consumption, not just during production.

The book is available now for \$30.00 exclusively from the Lean Enterprise Institute (LEI) web site at [www.lean.org](http://www.lean.org) or by calling 617 713-2900.

**Consumption**

Consumption, say the authors, should be easier and more satisfying due to better, cheaper products. Instead, it requires growing time and hassle to get all of our goods and services to work properly and work together. Consider the following common scenarios:

- The custom-built, delivered-in-three-days computer that refuses to work with the printer, the other computers in our home offices and the software from different providers.
- The car repair involving many loops of miscommunications, waiting, and complaints about work when done.
- The long drive to the "big box" retailer that stocks tens of thousands of different items -- most of them better and cheaper than those available 25 years ago-- only to return home without the one item we actually wanted.

- The medical procedure that was deeply impressive from a technical standpoint yet unpleasant and time-consuming from a personal standpoint.
- The business trip with endless lines, layovers, and flight delays.
- The exasperation of "help desks" and "support centers" that neither help nor support.

The problem, say Womack and Jones, is neither that companies don't care, nor that the people trying to fix our malfunctioning products are inept. Rather it's that few companies today see consumption as a process -- a series of linked goods and services, all of which must occur seamlessly for the consumer to be satisfied.

### **Lean Solutions**

Womack and Jones propose a radical new leap: to extend the lean philosophy to the broader process of consumption. They suggest that companies map the process of selling a product to a customer, then map the steps a customer goes through to purchase that same product. Where the two maps don't match up is where the recurring problems lie. But, rather than seek to improve the time and money spent fixing recurring problems, say Womack and Jones, companies can take a process-oriented approach that completely and permanently eliminates the defects at the source. The authors show businesses how to identify and eliminate systemic inefficiencies so that these problems don't resurface.

The authors cite a wide array of real-life examples of companies that try to meet customer demand -- some of whom fall short and some of whom succeed. For example, Fujitsu Services, one of the largest providers of IT support services in Europe, has a collaborative relationship with its clients, taking a problem solving approach as it mans the service centers and help desks. Rather than just solving each customer's problem, Fujitsu figures out which problems are recurring and helps the company strategize on a solution.

The authors deconstruct the broken producer-consumer model and show businesses how to reconstruct it. Across all industries, companies that apply the principles of lean consumption will learn how to provide the full value consumers want from their products, without wasting time and effort. The result? Truly satisfied consumers, and leaner companies that are highly competitive and more profitable.

*Lean Solutions* offers four simple rules to help companies provide everyone exactly what they want. They are:

- Create a single point for order entry to regulate the entire provision stream. Lean thinkers often call this point the pacemaker. Ideally, it is the end customer at the point where the item is obtained.
- Signal the need for replenishment frequently with low noise information technologies -- the simpler, the better. Carefully consider Material Requirements Planning and Enterprise Resource Planning systems, which can send contradictory messages throughout the process.
- Replenish frequently in small amounts at every point up the provision stream from the pacemaker, using the techniques of lean logistics. The common belief that total product costs -- from raw materials to customers -- are lowered by replenishing infrequently in large amounts is simple wrong.
- Locate production and distribution as close to the customer as possible.

## **Outsourcing: the Wrong debate**

The new lean logic challenges and makes moot many ongoing trigger points about competitiveness today -- outsourcing, for example. As companies struggle with the cost and logistics of servicing their customers, many have turned over complaint desks and call centers to large blocks of cheaper labor in other countries. But Womack and Jones argue that most of today's outsourcing debate misses the point. "Rather than seeking ever-lower wages for evermore remote workers," write the pair, "the lean thinker asks why they need to be done at all. In the lean consumption approach, fewer employees are needed to solve an ever-declining number of customer problems in a better way." Once the customer problems dwindle, the support center can be more lightly staffed or closed completely.

Just as *Lean Thinking* brought with it sweeping changes to how companies manufactured goods, *Lean Solutions* will change forever the way the product is delivered to the customer.

James P. Womack is president and founder of the Lean Enterprise Institute, a nonprofit training, publishing, and research organization based in Brookline, MA. Daniel T. Jones is Chairman and Founder of the Lean Enterprise Academy, a non-profit education and research organization based in the UK. They are the coauthors of *Lean Thinking* and *The Machine That Changed the World*.

*Lean Solutions: How Companies and Customers Can Create Value and Wealth Together*

Author: James Womack and Daniel Jones

Publication: October 11, 2005

Hardcover

ISBN: 0-7432-7778-3

For review copies of *Lean Solutions* or to interview the authors, contact Chet Marchwinski at the Lean Enterprise Institute: [cmarchwinski@lean.org](mailto:cmarchwinski@lean.org) or 203 778-0670.

*Lean Solutions* is available from the LEI web site at [www.lean.org](http://www.lean.org) , click Store or by calling 617 713-2900.

Visitors to the LEI web site can download excerpts and related free content from the LEI web site at [www.lean.org](http://www.lean.org) , click Library.

For background about lean, visit the LEI Media Center at: [www.lean.org](http://www.lean.org) > Who We Are > Media Center.

## **About LEI**

The Lean Enterprise Institute (LEI) is a 501(c)(3) nonprofit training, publishing, and research center founded by James P. Womack PhD, in August 1997 to give people simple but powerful tools that enable them to apply a set of ideas known as lean production and lean thinking, based initially on the Toyota Production System. The institute's global mission is to be the leading educator for maximizing value and minimizing waste. To accomplish this goal, LEI develops and advances lean principles, tools, and techniques designed to enable positive change. LEI disseminates this knowledge with the Lean Community through books and workbooks, public and on-site training, its web site, and global affiliates. For more information visit the LEI News page at [www.lean.org](http://www.lean.org) > Who We Are > Media Center.