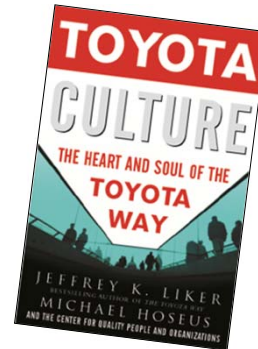


## The Role of Leadership in Creating a Sustainable Lean Culture

**Mike Hoseus**

Author, President, Lean Culture Enterprises

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## Addressing the “TOP TEN”

- Using lean in order to cut costs
- Leaders “delegating lean” to others
- Not identifying the proper roles for “everyone” in the organization
- Too much focus on “lean tools”
- Not involving HR properly
- Processes and improvements not connected
- Using the wrong measures for success
- Not being proactive in preparing for a financial crisis
- Not linking lean to the “daily work”
- Not objectively assessing their current progress



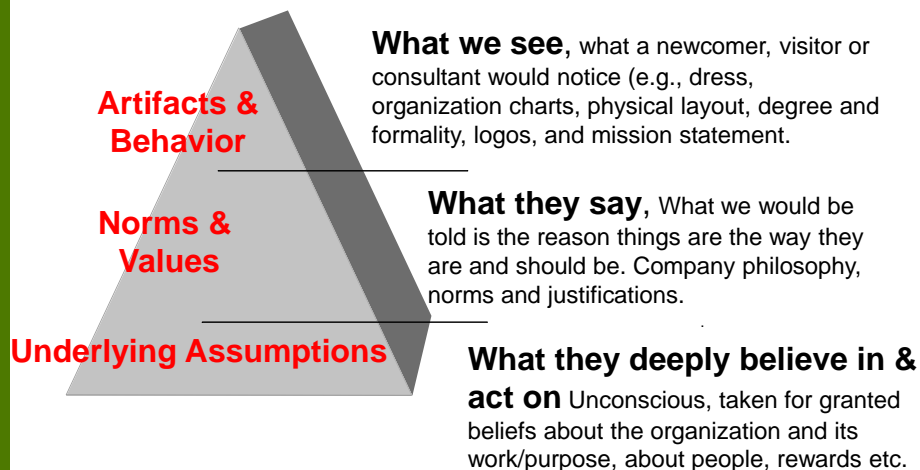
# Lean Transformation

- ❖ Not Lean Implementation with tool focus
- ❖ System focused journey across the enterprise
- ❖ Develops all employees as problem solvers
- ❖ Competitive advantage
- ❖ Bottom line profits
- ❖ Mutual long term prosperity for all stakeholders



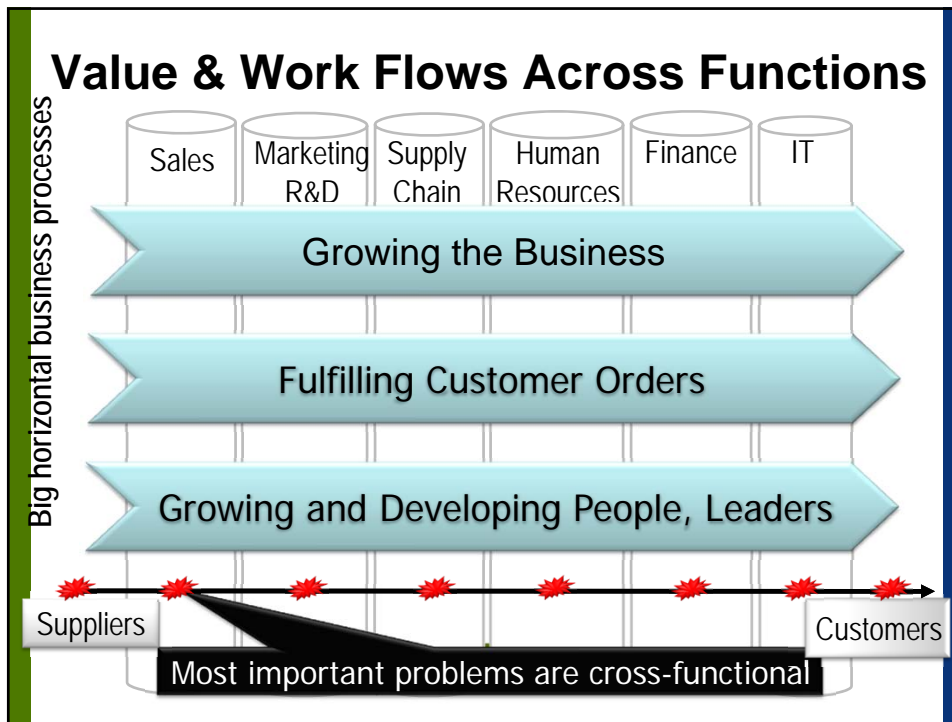
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## Three Levels of Culture



Based on Edgar Schein, "Coming to a new awareness of organizational culture," pp. 375-390 in J.B. Lau and A.B. Shani, *Behavior in Organizations*, Irwin, 1988

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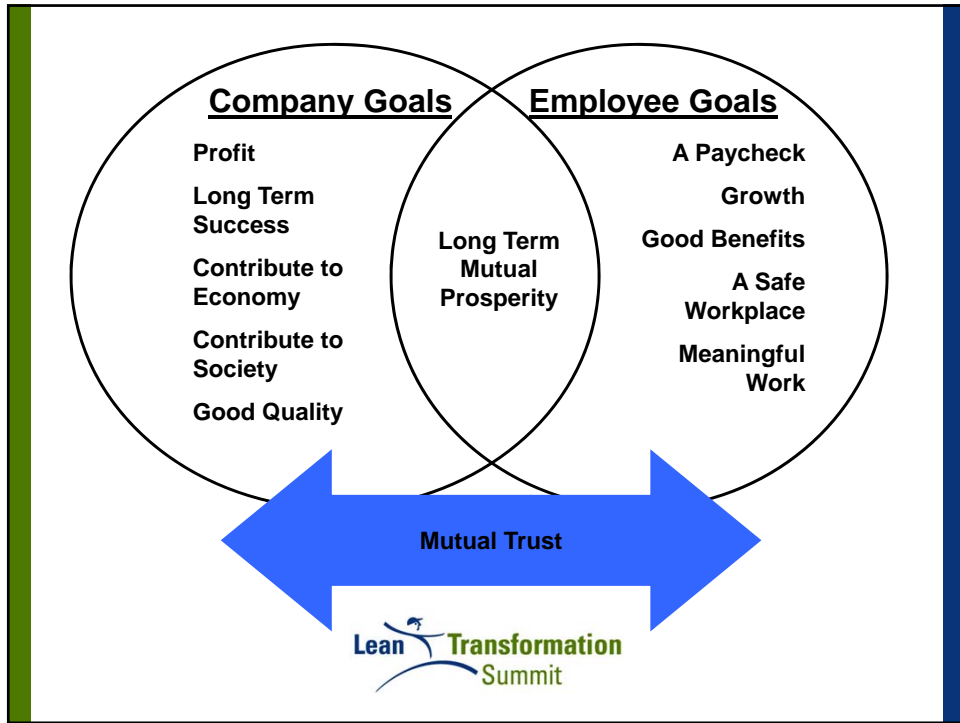
## Which one describes your Company?

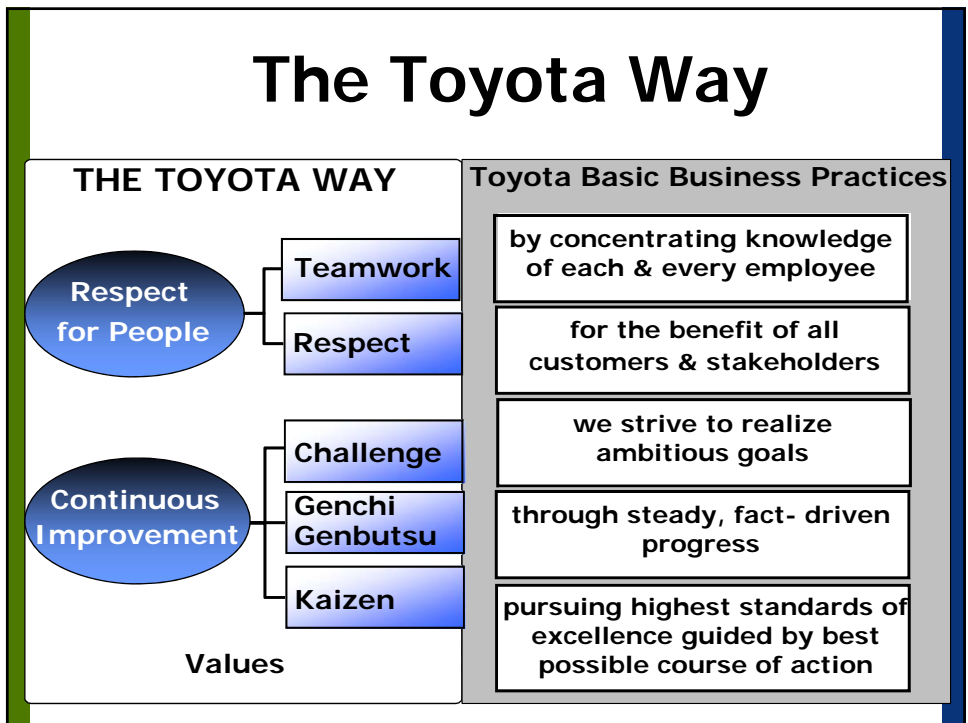
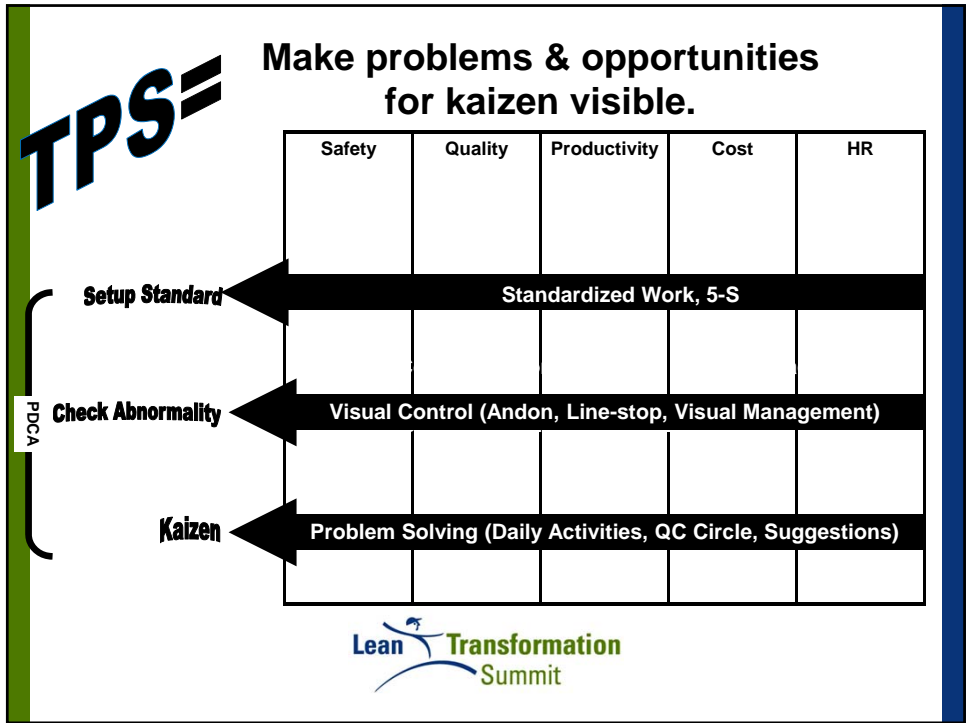
### Vertical

- Focus - Production
- Budgets, SOP's
- Make the numbers
- Leaders separated from the work
- People's ingenuity used to "beat the system"
- Supervisors "manage" people

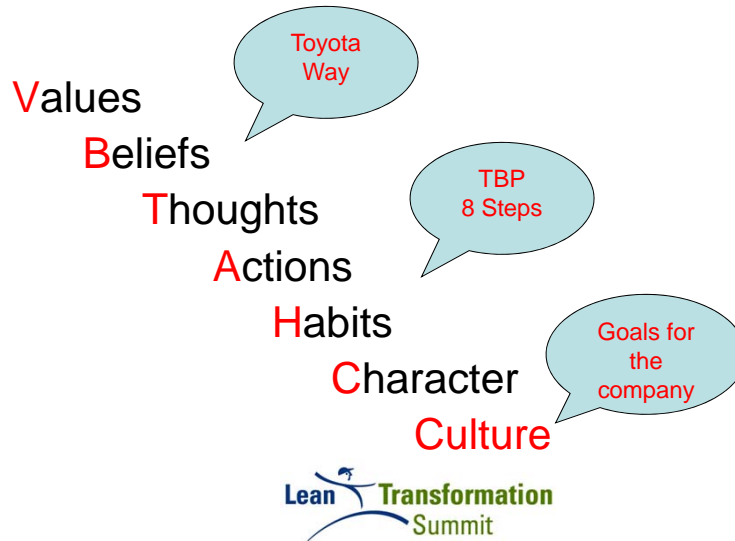
### Horizontal

- Focus - Process
- Purpose
- Make problems visible
- Leaders focusing on the work
- People's ingenuity used to "improve the system"
- Supervisors work with the people to solve problems



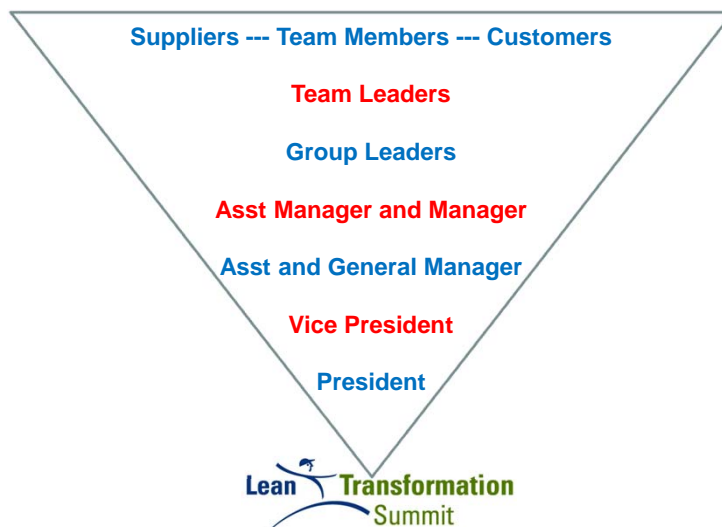


# It Starts with Values



# Servant Leadership

Leadership develops the capacity that allows team members to improve what needs to be done

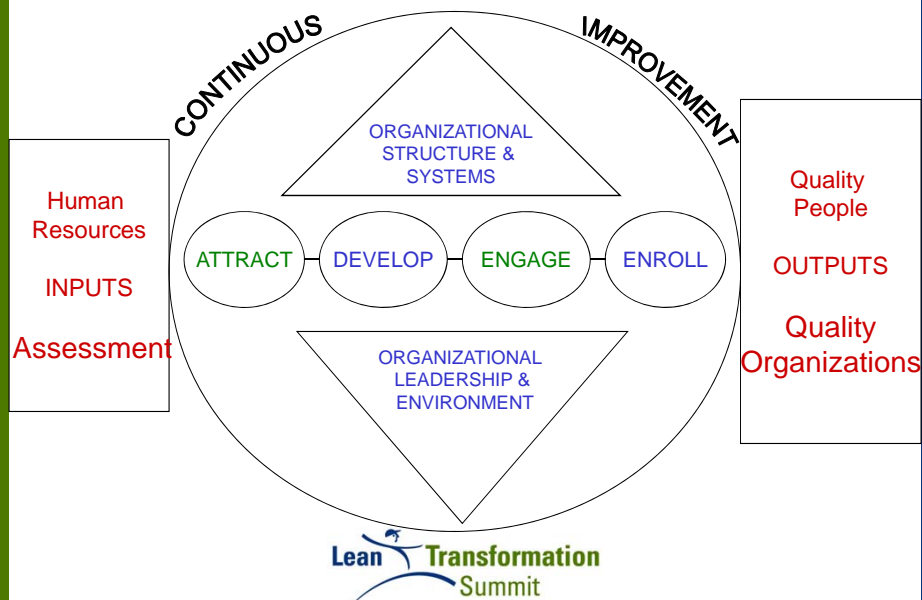


## Your Critical Steps

- **Ensure alignment.** Review and change your company's Purpose, Goals & Measures to ensure alignment with staff.
- **Measure & map your company.** Manage to this map.
- **Problem Solve.** Identify and address non-value added activity and problems utilizing everyone in your company to address them.
- **Provide ongoing direction.** Implement "Hoshin" throughout your company with PDCA.



## Lean culture overview model

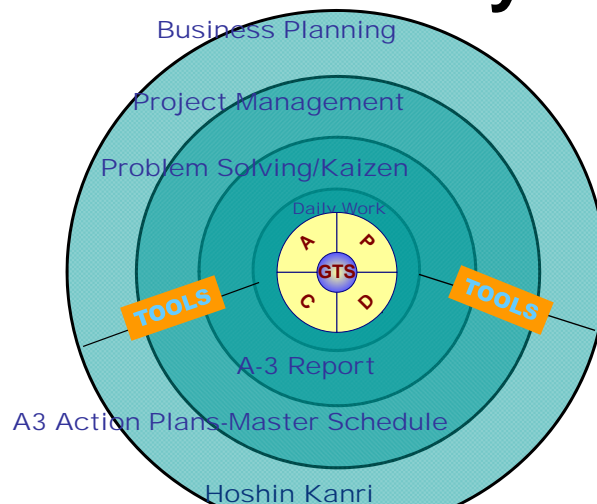


# The objectives of standardization

- Reduce variability, increase predictability
- Enhance repeatability, confidence, consistency
- Clarify procedures
- Enhance communication
- Improve Problem Solving
- Set good discipline
- Develop awareness
- Establish “Problem Consciousness”
- Establish a basis for education and training
- Establish a baseline for performance
- Improve Quality, Safety, Delivery, Cost
- Provide the basis for Improvement

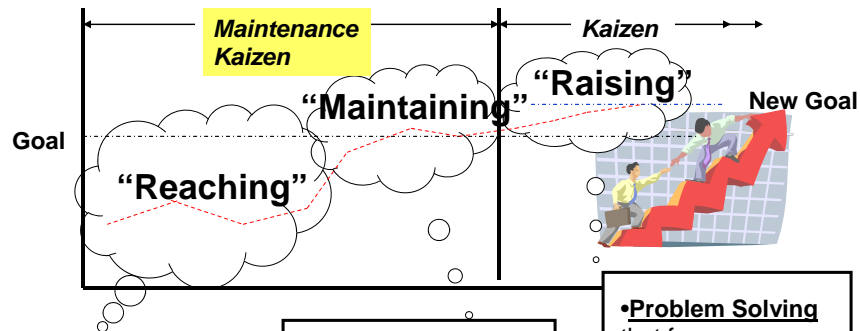


# PDCA in our Daily Work





## Three Stages of Problem Solving



• **Problem Solving** that results in getting to the goal.

• **Problem Solving** that focuses on maintaining the goal.

• **Problem Solving** that focuses on increasing capability beyond the goal - "Kaizen".



## Develop "T" People

- People who have broad experience in Lean
- People with deep skill in Lean
- Equal effort between "Going Wide" and "Going Deep"

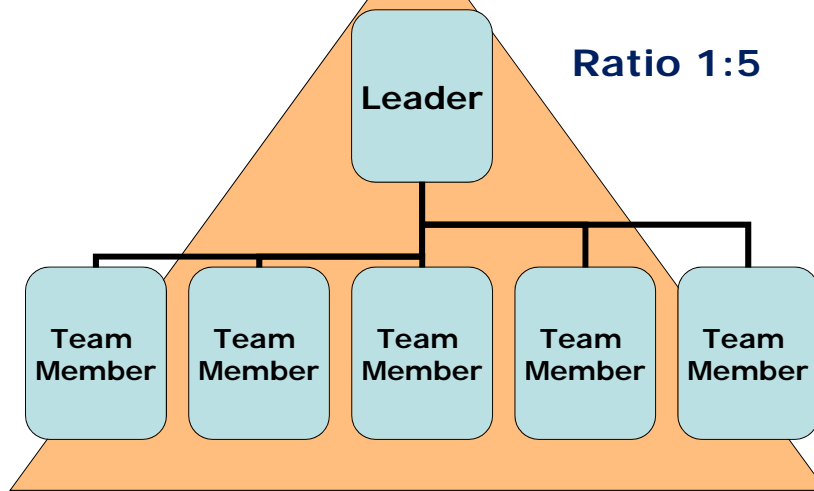
**Spread Lean Across the Organization (Wide)**



**Develop Depth of Capability Within the Organization**

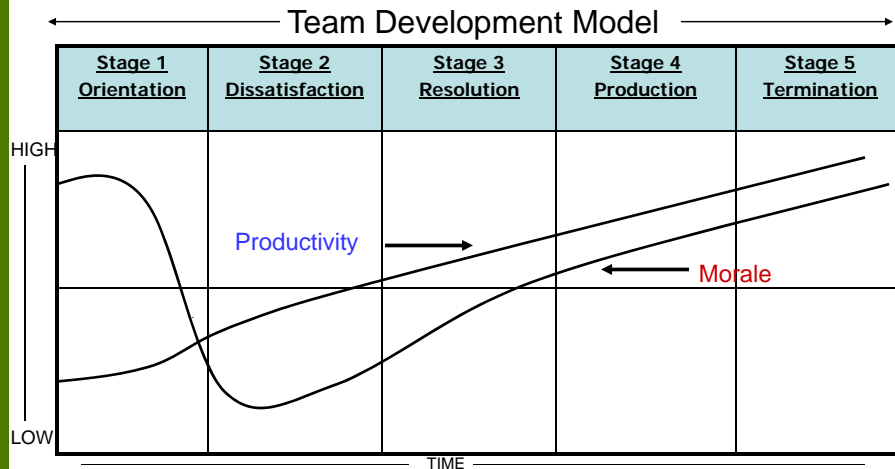


# Ideal Span of Support



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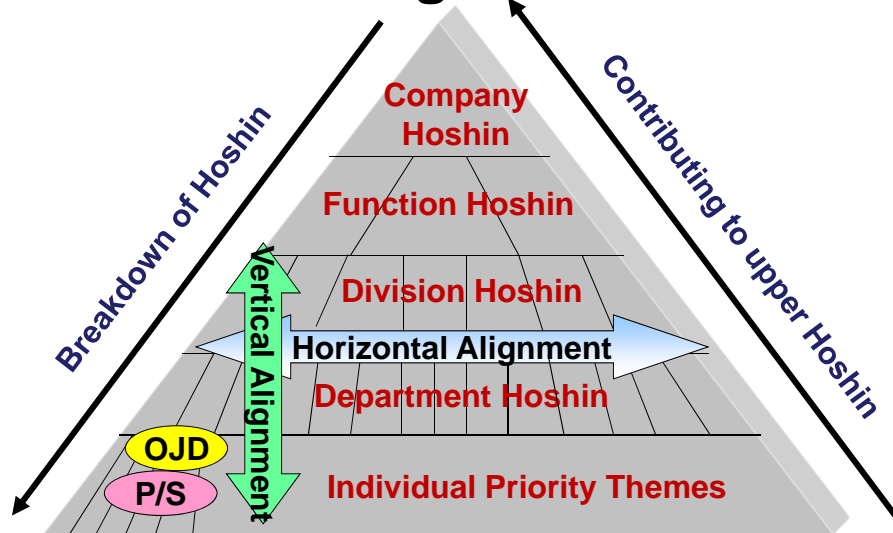
# Building Effective Work Teams



Adapted from R. B. Lacoursiere, The Life Cycle of Groups

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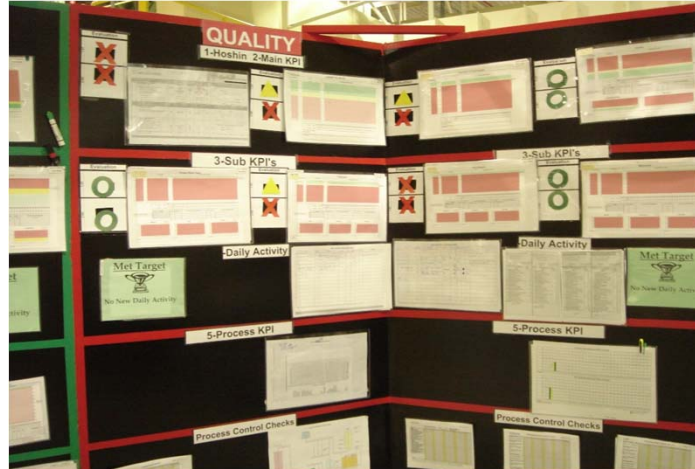
# Hoshin Kanri = Direction Management



# Team Board for Floor Management Development System



## Quality Section of Team Board for Floor Management Development System



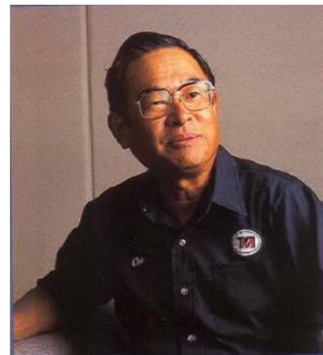
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## Fujio Cho, Chairman, Toyota Motor

Former President, Toyota Motor Manufacturing, Kentucky:

### 3 Keys to Lean Leadership:

1. **Go See.**
  - “Sr. Mgmt. must spend floor.”
2. **Ask Why.**
  - “Use the ‘Why?’ technique daily.”
3. **Show Respect.**
  - “Respect your people.”



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