

Improve the Work,  
Develop the People



THE BUILDING BLOCKS FOR CONTINUOUS INNOVATION

**Lean Enterprise Institute**

Improve the Work,  
Develop the People



THE BUILDING BLOCKS FOR CONTINUOUS INNOVATION

**John Shook**  
**Lean Enterprise Institute**



## Lean Thinking & Practice



Systemically develop people and continuously improve processes to provide value and prosperity while consuming the fewest possible resources.

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## Lean Transformation



Enterprise transformation is the process of an organization shifting its "business" model to a desired future state. A lean transformation requires learning a new way of thinking and acting, characterized not by implementing a series of steps or solutions but addressing key questions of purpose, process and people.

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## Lean Transformation -- Why a house?



aligning:

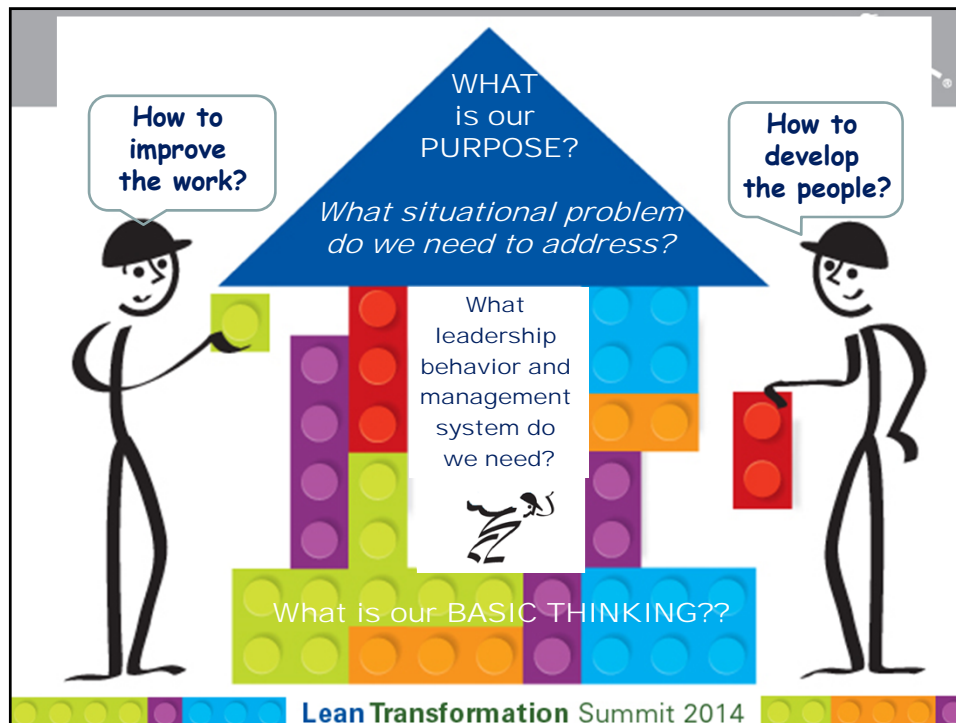
- **Purpose**
- **Process**
- **People**

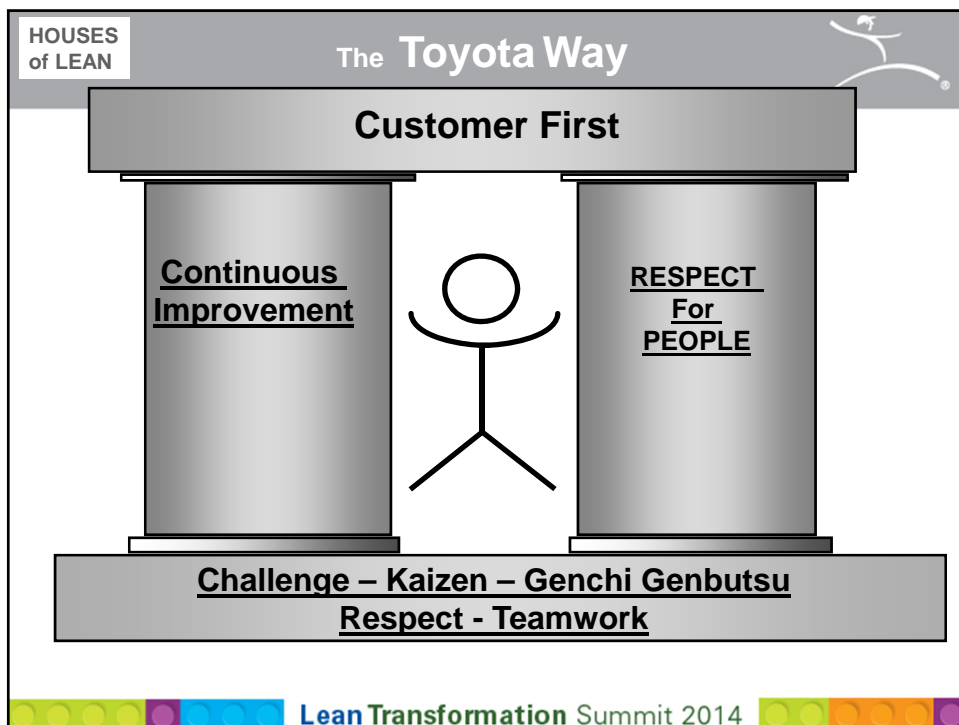
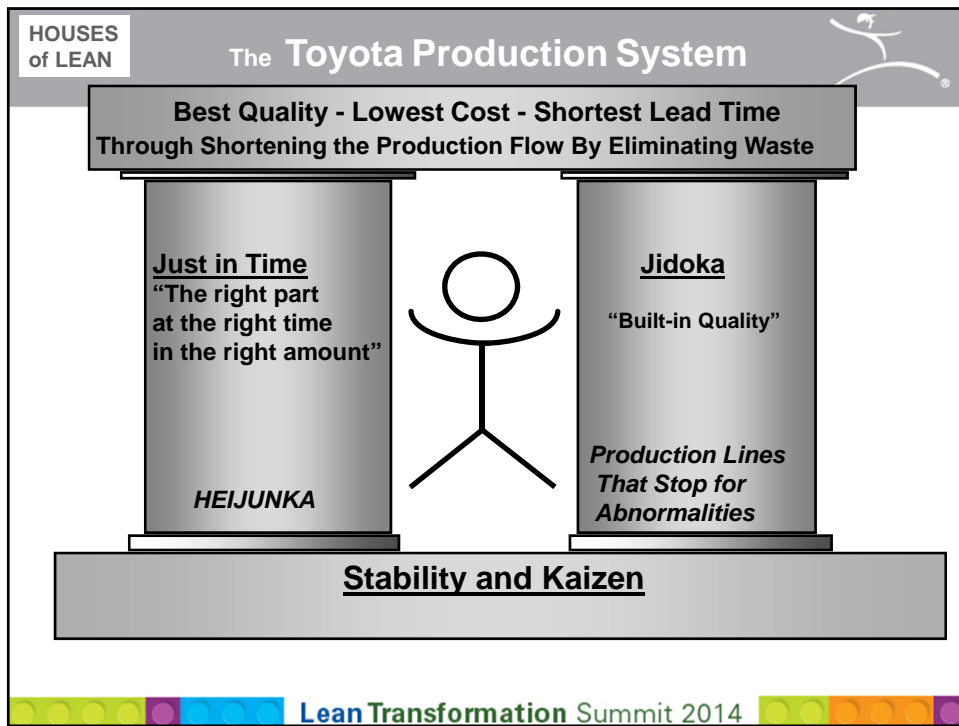
to create value

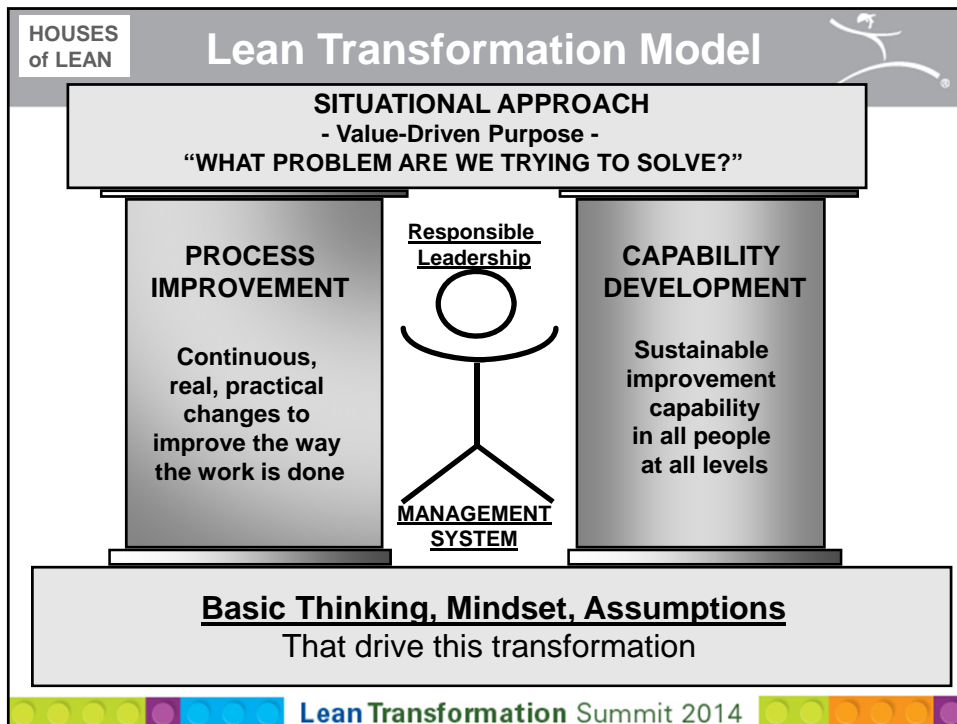


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## Lean Transformation Fundamentals

- Basic Approach: PDCA – The Art and Craft of Science
- Specific Approach in Each Case: Situational, Determined by Asking
  - “What problem are we trying to solve?”
- TWO Pillars: Process Improvement and Capability Development
  - Process Improvement
    - Start with the Work
      - Individual Level, System Level
  - Capability Development
    - At all Levels
    - Problem-solving, Improvement Capability
- Ownership: *Who is the lead architect?*
  - Internal: Need an Executive Champion and Project Lead(s)
  - External: Coach (usually needed) and (frequently) Architect

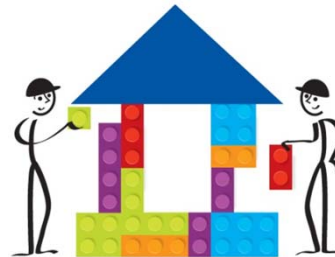
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## Transformation Questions



1. What is our *purpose* or what *problem* are we trying to solve, what *value to create*?
2. How do we *improve* the *actual work*?
3. How do we *develop* the *people*?
4. What *role* must *leadership* take and how does the *management system* support the new way of working?
5. What *basic thinking* or assumptions underlie this transformation?

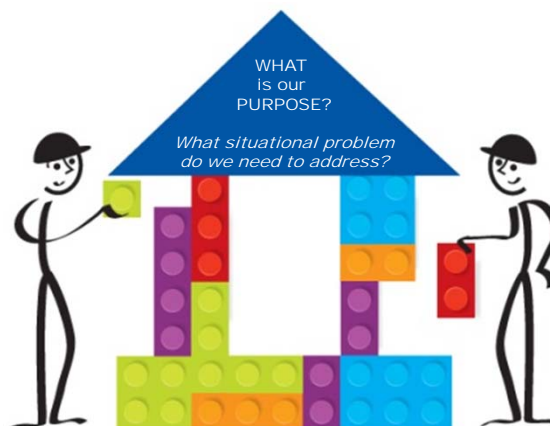


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## Transformation Questions



- 1. What is our *purpose* or what *problem* are we trying to solve, what *value to create*?**



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## Transformation Questions

1. What is our *purpose* or what *problem* are we trying to solve, what *value to create*?

*“What is our True North?”*



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## What Problem are We Trying to Solve?

Okay, so that's where we need to go...



*“Which way to True North?”*

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## Plan-Do-Check-Act Cycle

From pDpD (try, fail, try, fail)  
to PDCA cycle

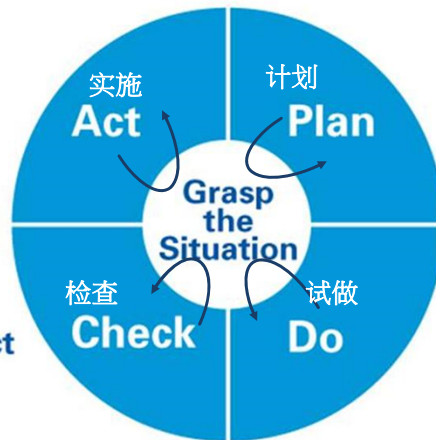


Adjust and  
Standardize

Hypothesis

Study/Reflect

Try



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## Plan-Do-Check-Abandon Cycle

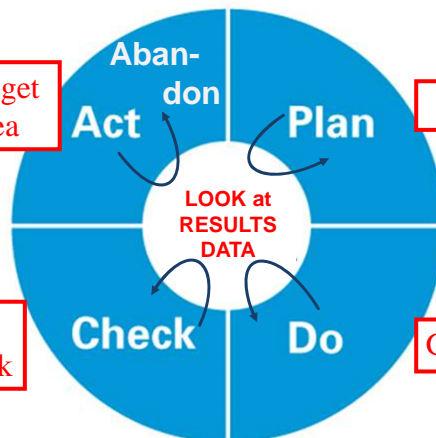
From pDpD (try, fail, try, fail)  
to PDCA cycle

Give up and/or get  
another new idea

Get an IDEA

Work around  
what didn't work

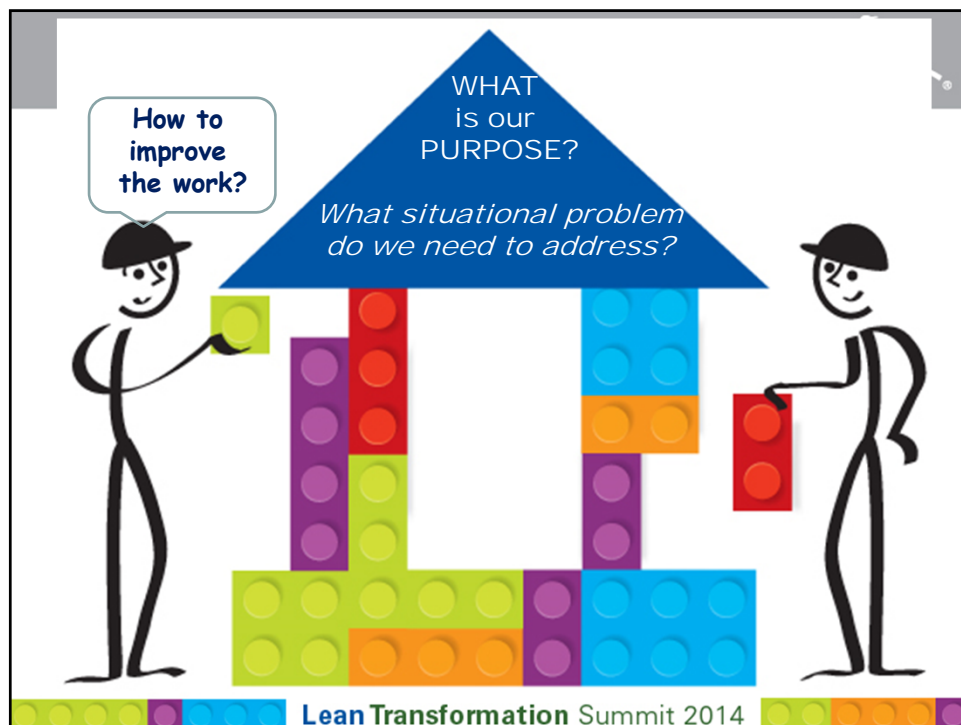
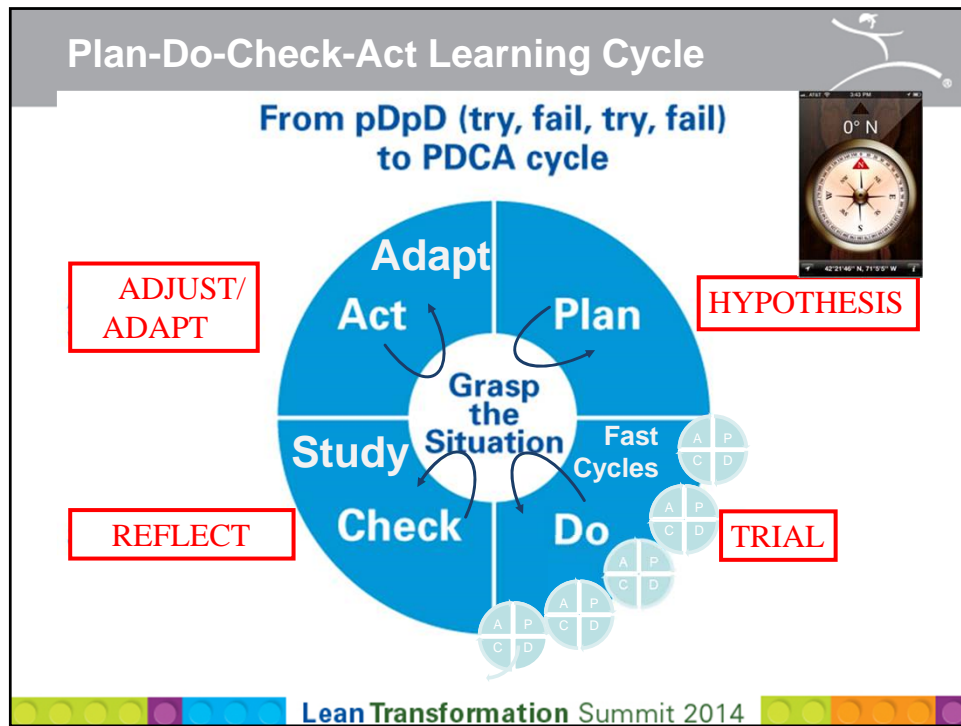
Give it a go



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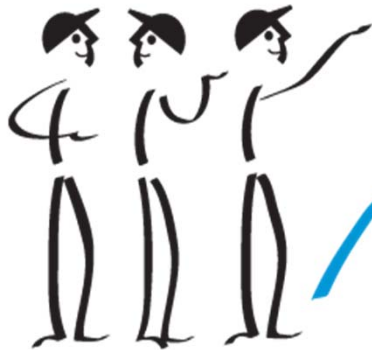






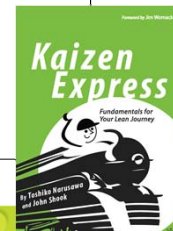
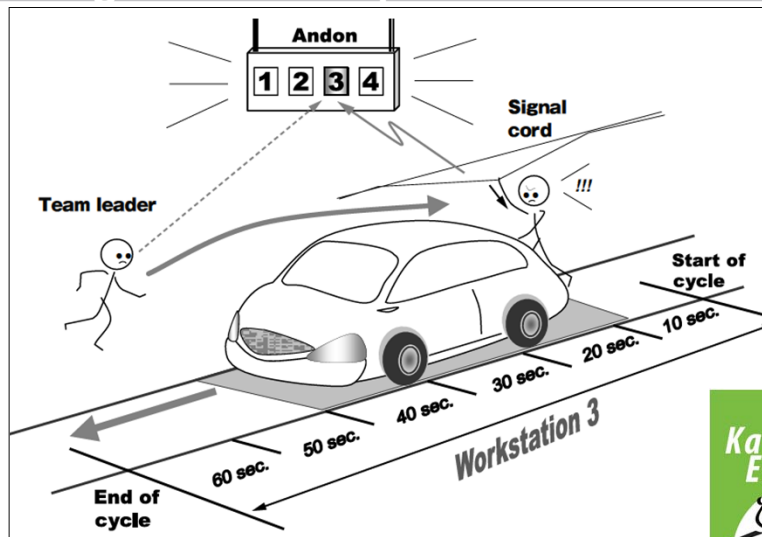
## Process Improvement...

What is the work to be done  
in order to get there...?



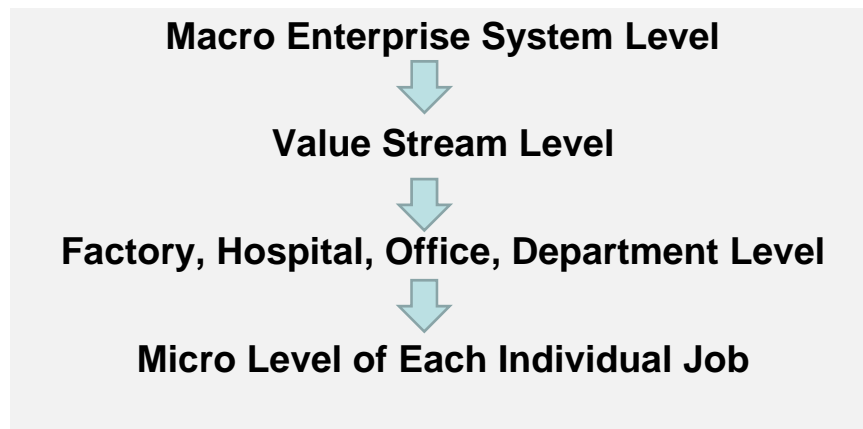
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## Design of Process, Design of Work Experience



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## Process Improvement at ALL Levels

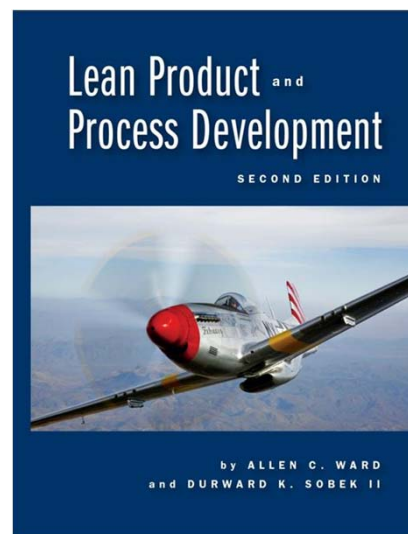
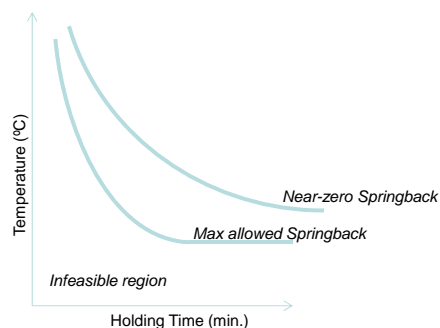


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## LPPD Trade-off Curves

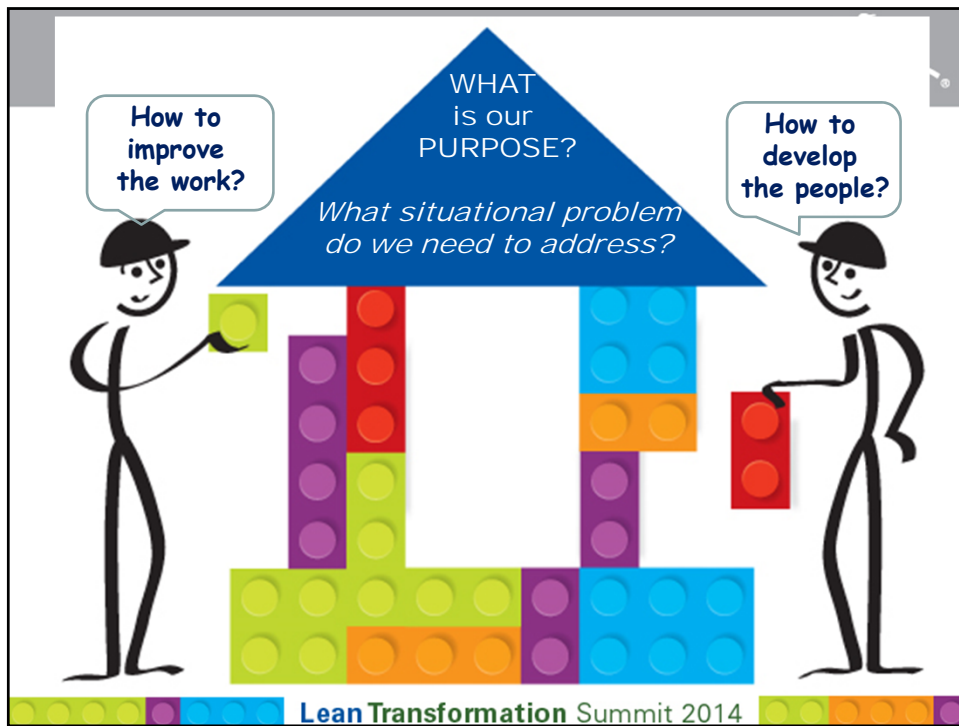


### Trade-off Curve – Hot Formed Parts



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**“Make people  
before making  
product...”**



**“It’s easier to act your  
way to a new way of  
thinking than to think  
your way to a new way of  
acting.”**



## Lean Tools and Lean Learning

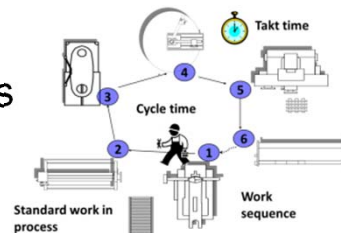


The tools bring obvious “mechanical” or tangible benefits.

They are also *frameworks* to

- develop people, and
- make it:
  - easy to see problems
  - easy to improve
  - easy to learn from

Elements of Standard Work



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## Management, Leadership...

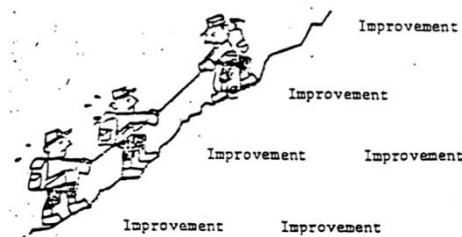
How will we manage the work?  
What role must leaders take??



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## Lean Leaders Aim for Two Things

- Enable each person to take responsibility to solve problems and improve his or her work
- Align each persons' work to provide value for the customer and prosperity for the organization



Get the work done and Develop Capability  
- at the SAME TIME!

→ Begin with Yourself!!

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## Two Master Coaches



Taiichi Ohno



Architect of the Toyota Production System

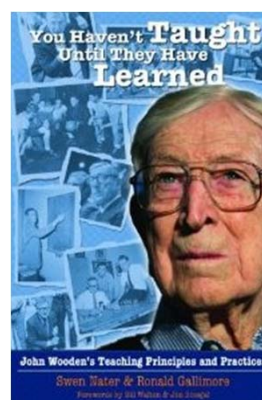
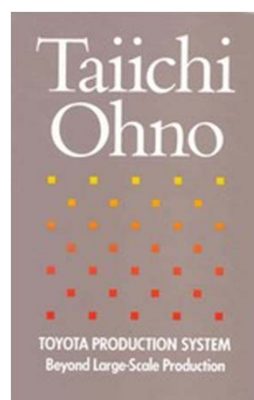
John Wooden



ESPN Coach of the Century

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## Can I be a Master Coach like Taiichi Ohno and John Wooden?



*"You Haven't Taught Until They Have Learned"*

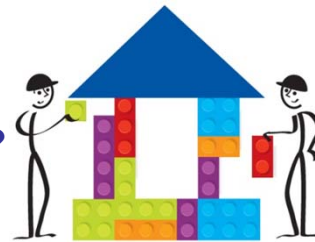
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## What basic thinking underlies all this...?



Does this really make sense to everyone???



What mindset do we have? Do we need?  
What underlying assumptions??

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**Old "Dictator" Style: "Do it my way..."**



**Leadership "Solution"**



**1970s "Empowerment" Style: "Do it your way..."**



**Lean Style: "Follow Me, and we'll figure this out together".**



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**Thinking Production System**



**"If some problem occurs in one-piece-flow manufacturing then the whole production line stops. In this sense it is a very bad system of manufacturing..."**

***T. Minoura, Toyota***

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## Thinking Production System



“If some problem occurs in one-piece-flow manufacturing then the whole production line stops. In this sense it is a very bad system of manufacturing. **But when production stops everyone is forced to solve the problem immediately. So team members have to think, and through thinking team members grow and become better team members and people.”**

*T. Minoura, Toyota*

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## Starting with Purpose



“They (TSSC) started with a problem defined by US.”

- Margarett Purvis



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“Problems are Good...”



“...throw a Bonini on it.”

- Margarete Purvis



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## Questioning Mind



- What's the problem?  
→ Why and why address it now?
- What do you actually know?  
→ How do you know it?
- What do you need to know?  
→ How can you learn it?

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## Questioning Mind



- What's the problem?  
→ Why and why address it now?
- What do you actually know?  
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→ How can you learn it?

***Lean is not acting on assumptions  
or jumping to conclusions.***

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## Got Conclusion?



### ~~JUMPING TO CONCLUSIONS~~

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## Lean Thinking



- Principle of “Just Enough”
- Practice of *Questioning* and *Experimenting*

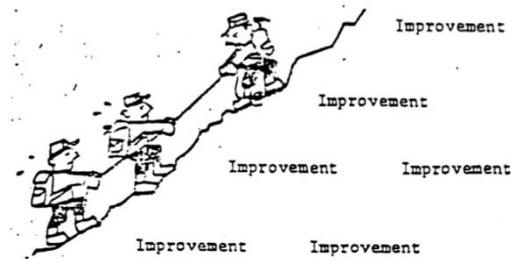
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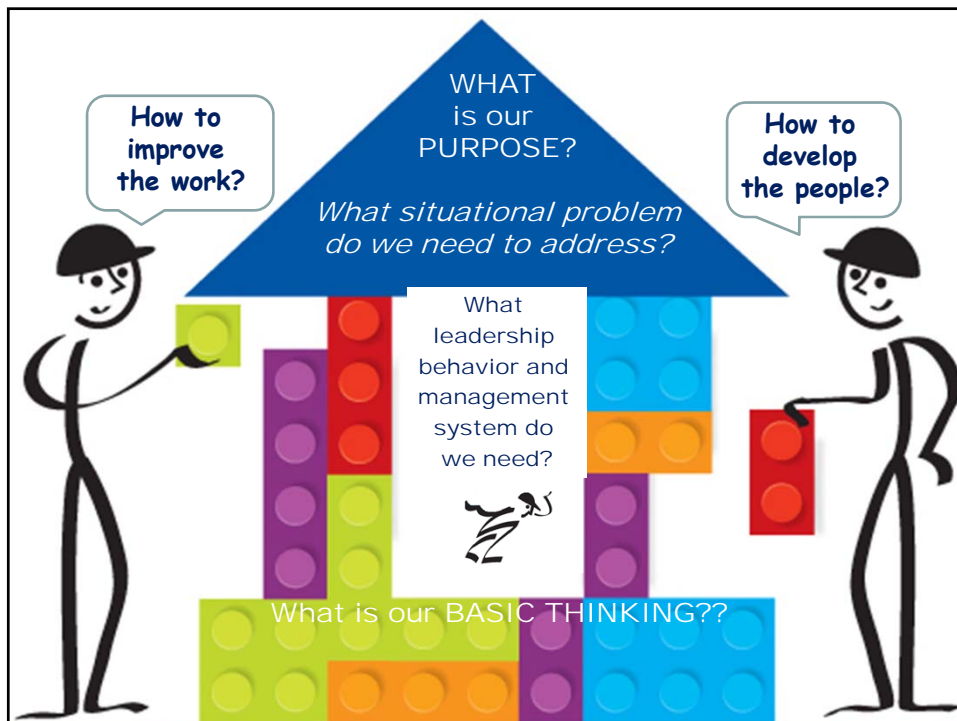


## Lean Thinking

- Principle of Respect for People
- Practice of Continuous Improvement



→ Unending learning...to make things better...in everything...everywhere



# The Summit and You – The Transformation Model



## Lean Transformation Model Questions

(OPTIONAL) Name:  
Company:

		Current	Future
<b>Purpose</b> What is the purpose? What situational problem do we need to address?	Company		
	Your Project		
<b>Process Improvement</b> How are we improving the actual work?	Company		
	or Your Project		
<b>Capability Development</b> How are we developing the people?	Company		
	or Your Project		
<b>Leadership and Management System</b> What leadership behavior and management system do we need?	Company		
	or Your Project		
<b>Basic Thinking</b> What basic assumptions or mindset underlies the changes?	Company		
	Your Project		

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# The Transformation Model and You



		Current	Future
<b>Purpose</b> What is the purpose? What situational problem do we need to address?	Company		
	Your Project		
<b>Process Improvement</b> How are we improving the actual work?	Company		
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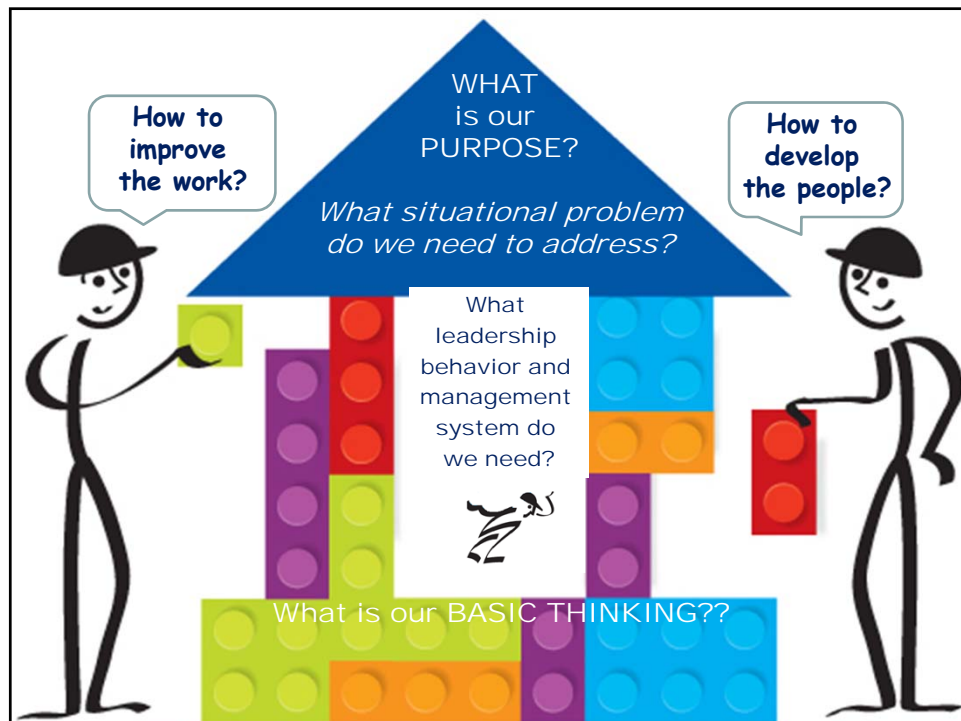
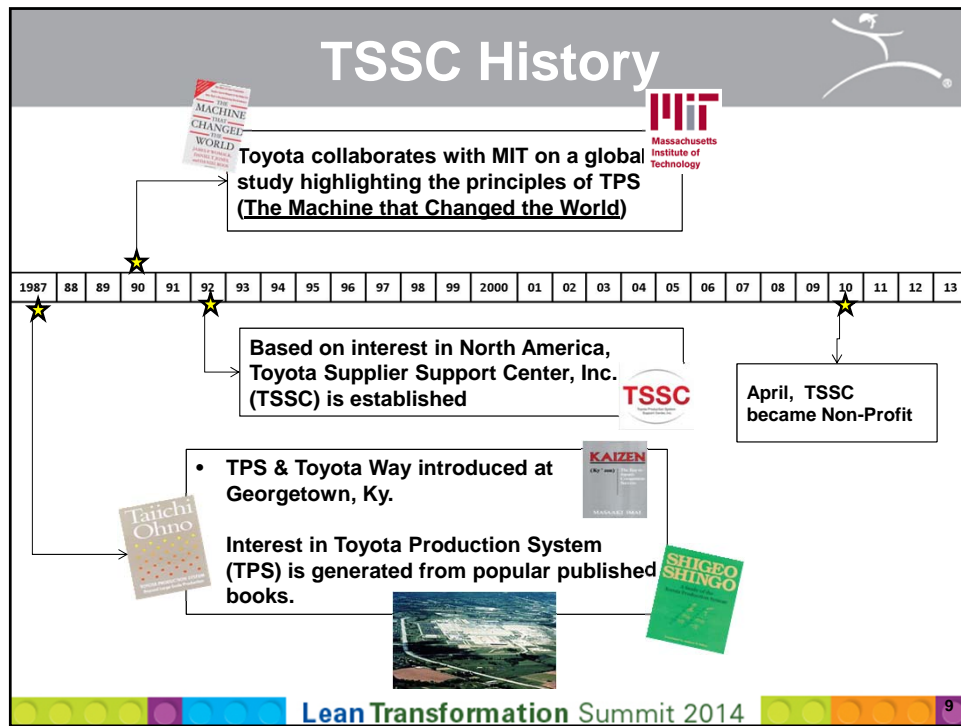
		Current	Future
<b>Purpose</b> What is the purpose? What situational problem do we need to address?	Company	Help organizations and individuals learn to make things better through lean thinking & practice.	
	Your Project	Identify better, more compelling, inspiring true stories of lean success in traditional manufacturing and non traditional settings	
<b>Process Improvement</b> How are we improving the actual work?	Company	PDCA structure in place for all major work streams	
	Your Project	Solicit stories through website; compile candidate stories, discuss at weekly meeting, populate calendar	
<b>Capability Development</b> How are we developing the people?	Company	Individual Development Plans established; formal and informal mentoring; opportunities to go see good examples of lean work and interact with many segments of community	
	Your Project	need ability to judge lean story content, writing ability, editing ability,	
<b>Leadership and Management System</b> What leadership behavior and management system do we need?	Company	annual hoshin alignment process; weekly report-outs of each value stream on rotating basis; daily support as-needed and requested	
	Your Project	Management system: weekly meetings with full team, periodic check-in huddles as needed, editorial support on call; annual objective setting	
<b>Philosophy and Basic Thinking</b> What basic assumptions or mindset underlies the changes?	Company	P-D-C-A, Respect for people, experimentation mindset ...	
	Your Project	Sharing stories will inspire community to try more lean experiments and to submit stories themselves.	

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		Current	Future
<b>Purpose</b> What is the purpose? What situational problem do we need to address?	Company		
	Your Project		
<b>Process Improvement</b> How are we improving the actual work?	Company or Your Project		
<b>Capability Development</b> How are we developing the people?	Company or Your Project		
<b>Leadership and Management System</b> What leadership behavior and management system do we need?	Company or Your Project		
<b>Basic Thinking</b> What basic assumptions or mindset underlies the changes?	Company or Your Project		

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## The Summit and You — Stay Connected!



LEI Lean Summit Site  
**[lean.org/2014summit](http://lean.org/2014summit)**

Wherever you are...



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## Transformation — Organizational and Personal



- 1. Solution Provider**
- 2. Dispassionate Investigator**
- 3. Passionate Advocate**

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The Summit and  
the people who made it happen



**Thank you to everyone who  
made this happen...**

**LEI staff and extended family  
Speakers  
Attendees**



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**Lean Summit 2015**



**Join us in New Orleans  
March 4-5, 2015!**



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