Employee Driven Performance Excellence; Managing the Hearts and Minds

Washington State Government
Lean Transformation Conference
October 15-16, 2013
QPIC, LLC  www.leangovcenter.com
Lean Government information clearinghouse

LEAN Government Center
Quality and Productivity Improvement Center

Implementing & Sustaining Government Lean Initiatives to Increase Capacity and Service, while Reducing Costs.

Home Page

QPIC, LLC LEAN Government Center is the premier resource center for LEAN Government and a globally based consulting organization that focuses on LEAN, Six Sigma, Change Management (ACE), Business Metrics (MWM – Measure What Matters), Supply Chain Management, and Executive Coaching. Our client base has spanned LEAN Government, Manufacturing, Healthcare, and non-profit organizations for over 25 years. We are one of the foremost groups consulting on LEAN Government. Our approach is unique in that we start with the top management teams and ensure the necessary cultural changes are instituted for LEAN Government to be successful and sustainable.

LEAN Government focuses on what are the key processes in all departments/agencies, what services are they delivering, and how much of what is being done is value-added (what the taxpayer truly needs and is willing to pay for) vs. non-value added. It’s not unusual to find improvement opportunities on the order of magnitude of 50%+ when LEAN Government is applied to Municipal, State and Federal processes/spending. QPIC, LLC has been working many years with State and Municipal Governments to focus on projects that reduce waste to close budget gaps.

We focus on delivering sustainable results. We do this by educating people about LEAN Government concepts so they understand the benefits to themselves and their organization. This understanding helps them take ownership of the transformation. When there is ownership of the LEAN Government transformation, the entire organization can improve by driving performance towards an ideal state and increase employee acceptance of change.

LEAN has evolved over the years, mainly fostered by the work of Toyota and the Toyota Production System (TPS). With the advent of the 2008-2009 financial crisis, the opportunity and demand for LEAN Government to help close budget gaps has exploded.

The Case for LEAN Government:

- LEAN Government increases internal capacity to do more, without adding people.
- LEAN Government reduces the costs of Government services (via attrition).
- LEAN Government increases customer (taxpayers, etc.) satisfaction.
- LEAN Government substantially shrinks the time to get things done.
- LEAN Government provides a means to fundamentally rethink what is done and how it is done.
- LEAN Government applies a more enhanced systems thinking approach.
- LEAN Government can be implemented and sustained with smaller cost than alternative approaches.
- LEAN Government easily yields returns-on-investment (ROI) of 20X+.
- LEAN Government doesn’t depend on costly IT solutions.

It is clear that continuing the old paradigm of only cutting positions and across-the-board spending reductions will not be successful. Too many previous short sighted strategies have now created dire financial consequences for most Government sectors that must be addressed with a high sense of urgency. LEAN Government is a major means to address the financial crisis and close budget gaps.
Boston Foundation For Sight
Culture
Organization
Leaders
Managers
Supervisors
The Leader “Commandments”

1. Has a high respect for people:
   a) Not blaming people – virtually everyone wants to do a good job
   a) Taking responsibility for the systems issues
   b) Focuses on the process
   c) Treats everyone with dignity and respect – ensures clear responsibility is assigned for every process and problem.
   d) Shows confidence in her/his people

2. Sets the example for others to follow – “on stage at all times” - high humility and high will
The Leader “Commandments”

3. Has high honesty & integrity and develops high TRUST
4. Has taken Lean training and is competent to use the tools, including training others
5. Is an active coach and visits the work areas (GEMBA = actual work area) – reinforces the need to “learn to see”, high visibility to staff
6. Is a continuous learner
7. Is a servant leader
   a) Realizes the job is to train and help all staff to identify, improve, & solve problems
Dr. W. Edwards Deming

“You either change Management…

or you change Management.”
Teach Everyone to See Waste Every Day!

Types of Waste

- Transportation
- Motion
- Inventory
- Processing
- Over Producing
- Waiting
- Rework & Defect Delays

Underutilized People – The Greatest Waste of All!
and in knowing that you know nothing, that makes you the smartest of all
The Supervisor’s Role (at any level) in Lean is to be a coach

Coaching managers may be an emerging role for the Lean staff

Mike Rother – Toyota Kata
Teaching/coaching to develop the ability for employees to identify and solve problems

**P-D-C-A**
Plan-Do-Check-Act

**The Five Questions**
1) What is the target condition?
2) What is the actual condition now?
3) What obstacles are now preventing you from reaching the target condition?
   Which *one* are you addressing now?
   "Turn Card Over"
4) What is your next step? (next PDCA / experiment) What do you expect?
5) When can we go and see what we have learned from taking that step?

**Card is turned over to reflect on the last step**

**Reflect on the Last Step Taken**
Because you don’t actually know what the result of a step will be!

1) What was your last step?
2) What actually happened?
3) What did you learn?

Return

*Mike Rother – Toyota Kata*
So how do we manage the hearts and minds?
Is this transferring ownership?
The Work Area

Standardized Work Area

Visual Control
Exercise

In the actual case study:

- Which employees do you meet with?
- When do you do this?
- How do you do this?
Communication of clear purpose helps overcome resistance and increases buy-in.

Engagement Tool: The Elevator Speech

Describe the need and the vision of the new change or state, as one might respond to the questions like:

- What are we doing?
- Why are we doing it?
- What do you expect from me?
- How is it going to benefit me? (WIIFM)
The Foundation for Improvement is Built on Facts/Data

“In God We Trust” everybody else, please bring data.”
The Power of Simple Data Collection to engage your associates

1. See **What is Happening**, which generates clues for:

2. What **Ideas/Corrective Actions** can be taken to solve the problem and

3. **Move the expectation** for "right the first time" as close to the source as possible
Individual Workstation Metrics

“How are things going today?”

- Goal less than 5 days
- Goal less than 10%
## Simple Data Collection at the Process Site

<table>
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<th>Action</th>
<th>&gt;1 min</th>
<th>1-3 min.</th>
<th>3-5 min</th>
<th>5-8 min</th>
<th>8-12 min</th>
<th>12+ min</th>
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<td>II</td>
<td>III</td>
<td>/// ///</td>
<td>II</td>
<td>///</td>
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<td>Form B</td>
<td>III</td>
<td>/// ///</td>
<td>I</td>
<td>I</td>
<td>I</td>
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<td>I</td>
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<td></td>
<td>/// ///</td>
<td>II</td>
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</tr>
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</table>
Safety Concentration Diagrams

- B = bruise
- C = cut
- M = muscle strain
- S = sprain

Days = GREEN
Nights = RED

You can:
- Code by Dept.
- Code by Geography
- Etc.

Washington State Government Lean Transformation Conference
Food Stamps Example

You might be eligible to receive help from The Supplemental Nutrition Assistance Program (SNAP) within 7 days.

If you are applying for any other assistance, such as cash or Medicaid, or if there are more than 4 people in your household including yourself, then you must complete a different application form.

Please write down the following information:

Amount you pay each month for rent or mortgage:
45

Amount you pay each month for utilities:
(Include gas, electric, water, sewer, trash, telephone, cable, internet, etc.)
60

Add #1 and #2
29

Total monthly income before deductions
60

Liquid assets
44

Add #3 and #4
60

Now please answer the following questions:

1. Is the amount you pay every month for rent/mortgage and utilities (total of lines 1 and 2) more than the amount of money you make every month before you deduct deductions and liquid assets (total of #3 and #4)?
   (Check one) [ ] Yes [ ] No

2. Is your household's total assets $100 or less?
   (Check one) [ ] Yes [ ] No

3. Are you a migrant or seasonal farm worker and are your assets less than $100?
   (Check one) [ ] Yes [ ] No

If you answered "Yes" to any of the 3 questions on this page, you may be able to get your SNAP benefits within 7 days of the day you file your application at the regional office. Please fill out the attached application form and go to your local DSS office immediately to apply. If you did not answer "Yes" to any of the questions on this page, you still have to tell us if you are eligible for SNAP within 30 days of filing.
Are any Manuals Missing?
Make things easy to be “right”.
DIG - Dynamic Idea Generation

Wake Up your IDEAS

Alan Robertson & Dean Schroeder
“Ideas are Free”
DIG – Dynamic Idea Generation
The Supervisor’s Role

1. To create an environment that encourages ideas.
2. To help employees develop their knowledge and improve their problem solving skills, in order to increase the quality and impact of their ideas.
3. To champion ideas and look for larger possible implications in them.

Robinson & Schroeder, *Ideas Are Free*
Client Idea Form Example

Dynamic Idea Generation (DIG)
What is the Problem?:

My idea is:

How does this help? (The Business Case):

Implementation Sequence:

Benefit/Savings ($, Time, etc.):

Owner: Date:
Lean Ideas Posted for Weekly Review
**Lean Idea Example**

Lean Idea form in use at Virginia Mason Hospital.
We get what we EXPECT, INSPECT, and RE-INFORCE.

All three are required for organizational discipline and high performance.
Session Summary

1. Employees want to do a good job and know how they are doing.

2. Employees must have the training and knowledge to identify and solve problems in a fear free environment.

3. The supervisor’s role (at any level) is to be a coach to achieve #1 & #2.
TWI – Training Within Industry – WWII

Chris Lindstrom on Wednesday PM

- TWI Job Instruction
  Prepare to Instruct
  1. Have a Time Table
  2. Break Down the Job
  3. Have Everything Ready
  4. Have Workplace Arranged

How to Instruct
  1. Prepare the Worker
  2. Present the Operation
  3. Try Out Performance
  4. Follow-Up

How to Get Ready to Instruct

1. Have a Time Table – How much skill you expect the worker to have, and by what date.
2. Break Down the Job – List important steps. Pick out the key points. (Safety is always a key point)
3. Have Everything Ready – The right equipment, materials, and supplies.
4. Have Workplace Properly Arranged – Just as the worker will be expected to keep it.

Job Instruction Training

http://www.ceptara.com

KEEP THIS CARD HANDY

Step 1 – Prepare the Worker
Put the worker at ease. State the job and find out what he/she already knows. Get worker interested in learning the job. Place in correct position.

Step 2 – Present the Operation
Tell, show and illustrate one IMPORTANT step at a time. Stress each KEY POINT. Instruct clearly, completely, and patiently, but no more than can be mastered.

Step 3 – Try Out Performance
Have worker do the job, correct errors. Have worker explain each KEY POINT to you as he/she does the job again. Make sure the worker understands. CONTINUE until you know, he/she knows.

Step 4 – Follow Up
Put worker on their own. Designate to whom he/she goes for help. Check frequently. Encourage questions. Taper off extra coaching and close follow-ups.

If Worker Hasn’t Learned, The Instructor Hasn’t Taught.
Questions?