



Sammy Obara
www.honsha.org

Leading a Lean Organization

The New Leadership Role



Over **150** Banks certified Honsha Academy

Automakers Over **150** Banks certified Honsha Academy

Kaizen Culture
Our experience, will help you improve operation performance.

17 proven curriculum Implementation in **20** countries



Schools **honsha™** **Military**

Hospitals **honsha™**

More than **300** companies helped

Food and Beverage **Consulting firms**

Over **60** senior associates **Humanitarian missions**

Entertainment **Aeronautics**

Over **80,000** people trained





Kaizen Culture




Honsha Bi-Annual Study Mission

- Have an insider view of a Japanese Toyota plant, the birthplace of lean.
- Spend a day at the Honsha-Hirayama Dojo immersed in lean simulations and open discussions with former Toyota executives.
- Visit the origins of lean and understand the core concepts that can only be seen at the Toyota Kaikan and museum.
- Be guided by experienced Toyota trained professionals during your weeklong mission.
- Choose to extend your study trip with a cultural tour in Tokyo, Osaka, Kyoto and Nara

Executive Development Mission

**Toyota City – Japan
May 20 – 24, 2013**


More information on www.honsha.org

Toyota gives Virginia Mason docs a lesson in lean

At Virginia Mason Medical Center, doctors are required to understand firsthand how Toyota manufactures cars.

First, Virginia Mason's senior executives traveled to Japan to work on Toyota's manufacturing floor. Then a contingent of doctors and managers did the same thing.

Maximizing Hospital Outcomes with Tips from Toyota: Using Less to Do More



Virginia Mason Medical Center is embracing Toyota's lean manufacturing philosophy by taking a page from Toyota's manufacturing system. The goal: to gain a quality, safety, and performance edge. Can the plan work in your institution?

"We've done two trips to Japan, and will do another in the near future," said Virginia Mason's CEO, Dr. Gary Kaplan.

It's all about learning the techniques of what's called "lean manufacturing," and then applying them to health care.

"Lean" means doing without what's not needed, said VM president Mike Rona. "It's taking out the unnecessary stuff in processes," so that everything's more efficient.

"Eliminating waste, things that add no value, that's what this is about," said Kaplan, who sometimes refers to Virginia Mason not as a

hospital and clinic network but as "the company."

According to mathematician and consultant W. Edwards Deming, as much of 40 percent of a company's expenses result from waste -- systems and processes that are poorly designed, Kaplan said.

Waste and the quality of health care are linked, Kaplan said. Waste is directly related to low patient and employee satisfaction, poor customer service and errors in medical treatment.

Virginia Mason's been working to eliminate waste in all its forms during the past few years. It's paid off.

The dollar value of respiratory-care inventory supplies, for instance, has been slashed 45 percent. Savings on space have accrued as well.

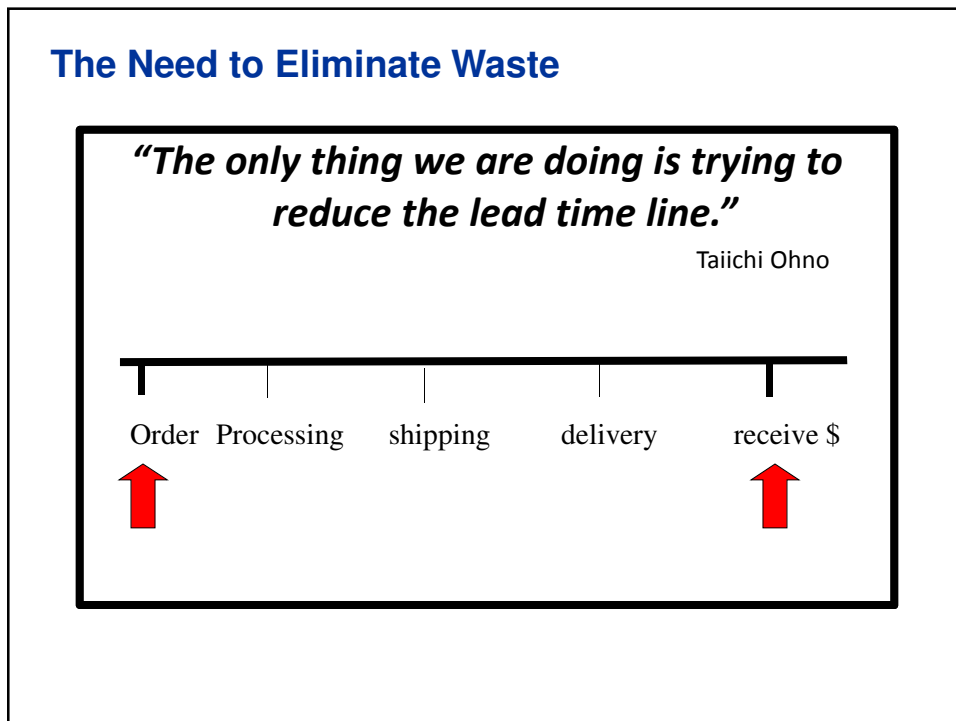
Radiation oncology staff cut the time from patient check-in to leaving the department from 42 minutes to 15.

Rank of countries by size

• Origin

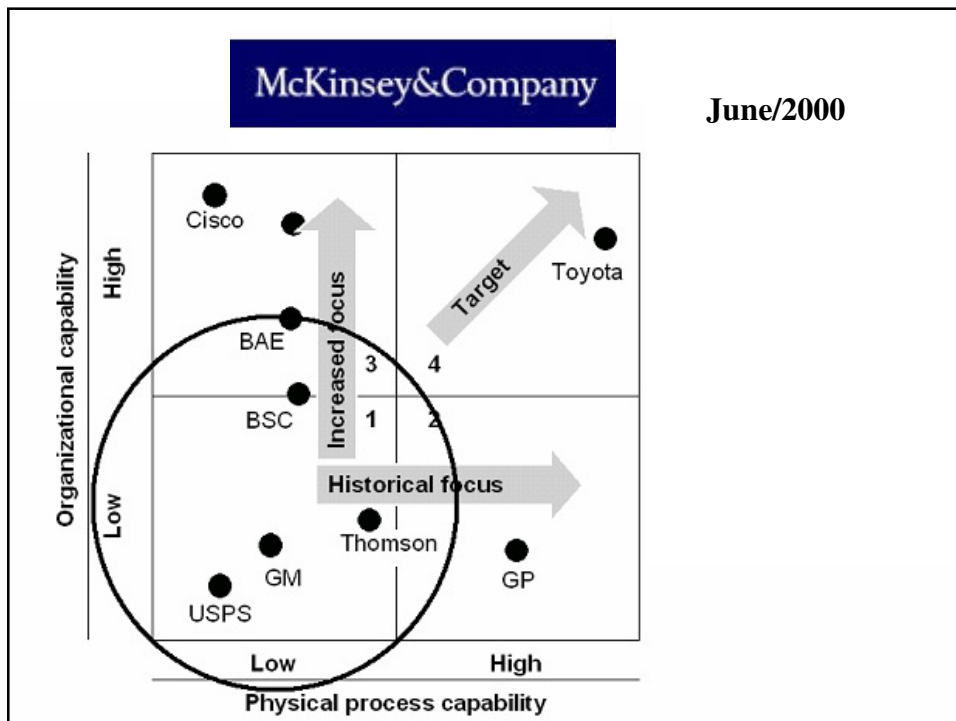
50	Yemen
51	Thailand
52	Spain
53	Turkmenistan
54	Cameroon
55	Papua New Guinea
56	Sweden
57	Uzbekistan
58	Morocco
59	Iraq
60	Paraguay
61	Zimbabwe
62	Japan

50	Yemen							
51	Thailand							
52	Spain							
53	Turkmenistan							
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56	Sweden							
57	Uzbekistan							
58	Morocco							
59	Iraq							
60	Paraguay							
61	Zimbabwe							
62	Japan							



The Need to Eliminate Waste

What if there is no need?



CNN Money

NEWS > Companies

ADVERTISEMENT

GM posts record 2Q profit

July 18, 2008, 11:54 a.m. ET

Automaker beats forecasts despite drop in North American share, profits

General Motors

NEW YORK (CNNfn) - General Motors Corp. reported a record second-quarter profit Tuesday, beating Wall Street forecasts despite some loss of market share in its home market.

Company officials say that, despite some softness in North American sales, it is on target to meet forecasts of a record profit for the year -- and that it is eyeing additional share repurchases as a way of continuing to improve earnings per share.

The world's largest automaker reported second-quarter net income of \$1.8 billion, or \$2.93 a diluted share -- above consensus forecasts of \$2.82 a share, according to First Call, which tracks analysts' estimates. A year earlier, earnings were \$1.7 billion, or \$2.66 a share.

Revenue rose to a record \$48.7 billion in the quarter from \$45.1 billion as the number of vehicles sold rose to 2.36 million worldwide from 2.33 million.

But GM actually had lower

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Taking the High Road to Low-Cost Investing™

honsha

“If things seem under control, you are just not going fast enough”

Tom Peters

honsha

BUSINESS

& THE ECONOMY

THURSDAY
November 8, 2007

DOLLAR
ONE U.S. DOLLAR EQUALS

PESO **+**0.094 10.792

YEN **-**2.09 112.63

EURO **-**0.0037 0.6832

INSIDE: Market roundup C2

THE SAN DIEGO
UNION-TRIBUNE

Virgin America, praised for its low-cost, high-tech flights.



GM sets company record for worst loss in quarter

Shares fall more than 6%; S&P lowers rating


By Tom Krisher
ASSOCIATED PRESS

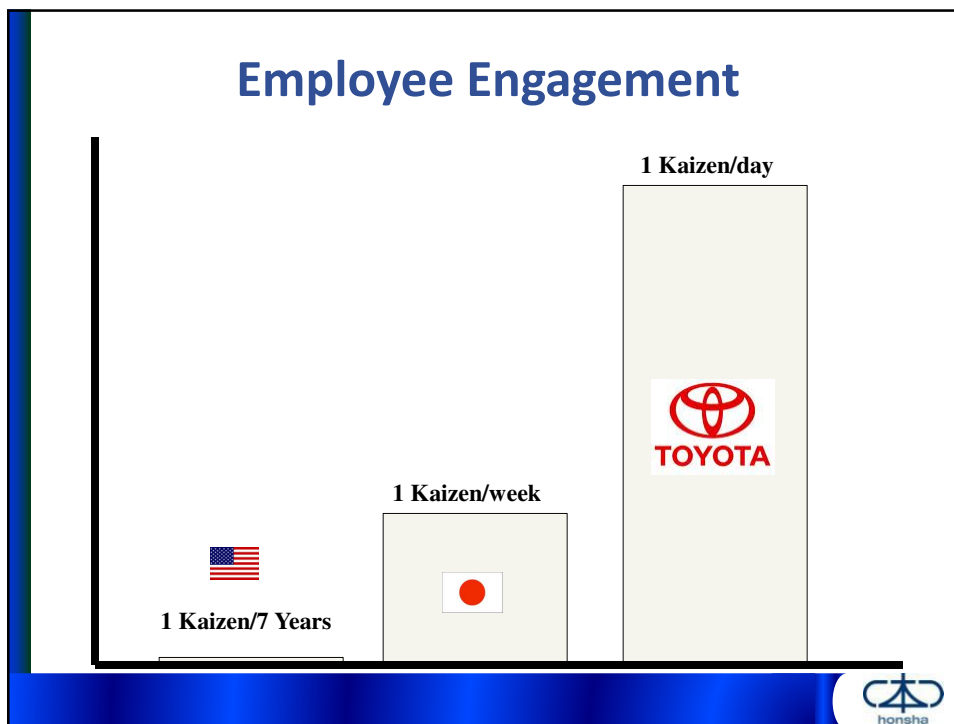
DETROIT — General Motors posted a company-record \$39 billion loss yesterday for the third quarter, as a charge involving unused tax credits brought an abrupt end to a string of three profitable quarters for the na-

The Need to Eliminate Waste

What if there is no need?

Leadership must create the need





FORTUNE

THE WORLD'S MOST ADMIRABLE COMPANIES



1. General Electric
2. Toyota
3. Procter & Gamble
4. FedEx
5. Johnson & Johnson
6. Microsoft
7. Dell
8. Berkshire Hathaway
9. Apple Computer
10. Wal-Mart

■ Toyota hopes its full-sized truck, the Tundra, will lead a category dominated by Detroit.

No surprise here: General Electric is the World's Most Admired Company—for the sixth time in eight years. But the breakout performer on our global list is Toyota. By rising three spots to replace Wal-Mart as No. 2, Toyota became the highest-ranking non-U.S. company in the nine-year history of the international Most Admired list. Japan's top carmaker is churning out profits in a tough industry, earning \$11.4 billion in 2005—more than the next 12 carmakers combined. By the end of 2006, Toyota is set to overtake GM as the world's biggest producer of cars and trucks.

As in past years, the global list was dominated by American companies, which took 16 out of the top 20 positions and 32 of 50 overall. The survey's 8,645 executives, directors, and analysts in 23 countries and at 351 companies (211 outside the U.S.) rewarded companies that delivered results. Europe's top company, BMW (No. 13), is the world's luxury-car leader—overall sales volume grew 5.5% to set a new record. Singapore Airlines (No. 19) jumped nine spots. Nokia hung in there at No. 20, making it the highest-ranking telecom company. And South Korean consumer electronics leader Samsung (No. 27) jumped 12 spots. For the first time that put it ahead of archrival Sony, which fell 19 places to No. 34. — *Telis Demos*

Source: Fortune magazine - 2006



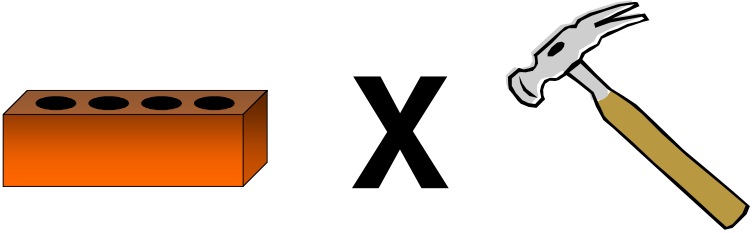
The Need to Eliminate Waste

Leadership may create the need,
but...


...how will people know what to do?



Leadership must equip its forces



The diagram consists of three elements arranged horizontally: an orange brick on the left, a large black 'X' in the center, and a hammer on the right. The brick is a simple 3D representation with four circular holes on top. The hammer has a yellow head and a brown handle. The 'X' is a large, bold, black letter.




The honsha logo is located in the bottom right corner of the slide. It features a stylized blue symbol resembling a triangle or a flame, with the word "honsha" written in a small, blue, sans-serif font below it.

The Most Studied Company in The World



The image shows a bookshelf filled with numerous books. The books are arranged in two rows. The top row includes titles such as "LEAN SIX SIGMA", "NOTES FROM AN AMERICAN", "Toyota Production System", "Toyota", "Toyota", "THE TOYOTA WAY", "LIKER AND HOSEUS", "THE TOYOTA WAY", "Kaizen Express", "Getting the Most from Kaizen", "DAVID MASUDA", "SHIMIZU TAKEUCHI", "THE TOYOTA WAY", "TOYOTA REVEALS", "SHINJI KUROKI". The bottom row includes titles such as "The ELEGANT SOLUTION for Mastering Innovation MATTHEW E. MAY", "DARIUS MEHRI", "Monden", "Monden", "Monden", "Technology in the 21st Century", "CULTURE OF INNOVATION", "BOOK LIKER AND MEIER", "Sheep", "by Pascal Dennis", "CAME #1", "TOYOTA", "HASAOKA SATO", "PROSPECTIVITY", "PROSPECTIVITY". A large yellow rectangular box with the word "PURPOSE" in large, outlined, yellow capital letters is overlaid across the middle of the bookshelf.

5S
What is the purpose?



Kanban
What is the purpose?



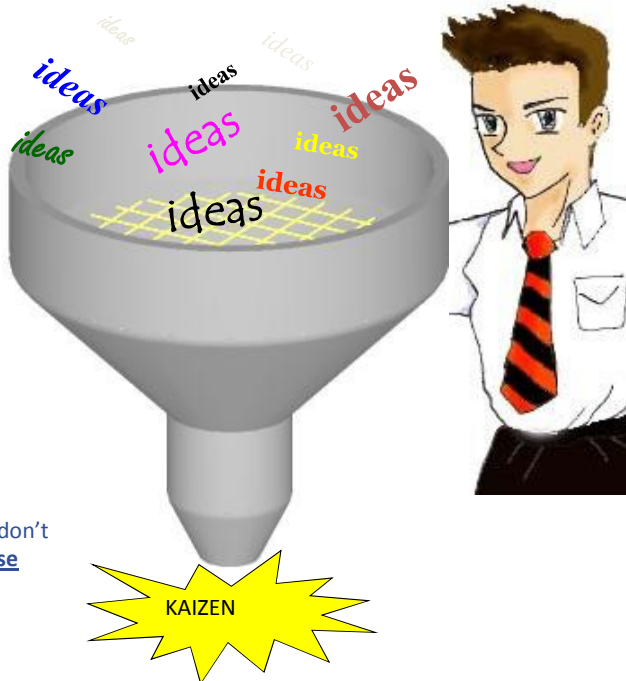
PDCA
What is the purpose?



Kaizen Teian **What is the purpose?**



What is the Purpose of Kaizen?



Don't start it if you don't know the purpose

The three Purposes

A diagram illustrating the concept of Kaizen. It features a grey funnel with a yellow grid on its top surface. The word "ideas" is written in various colors (blue, green, purple, red) around the funnel. To the right of the funnel is a cartoon illustration of a man with brown hair, wearing a white dress shirt and a red and black striped tie. Below the funnel is a yellow starburst shape containing the word "KAIZEN". To the left of the funnel is a blue scroll-like box containing three bullet points.

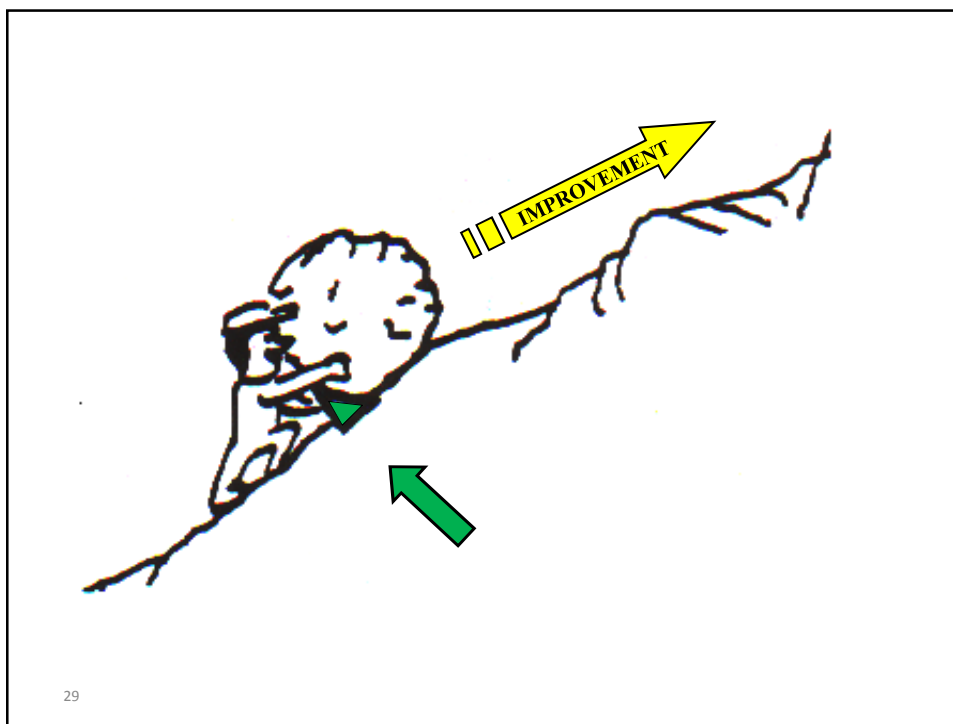
- Reduce Waste
- Improve Quality
- Improve Safety

27

A diagram illustrating the concept of Kaizen, similar to the one above. It features a grey funnel with a yellow grid on its top surface. The word "ideas" is written in various colors (blue, green, purple, red) around the funnel. To the right of the funnel is a cartoon illustration of a man with brown hair, wearing a white dress shirt and a red and black striped tie. Below the funnel is a yellow starburst shape containing the word "KAIZEN". To the left of the funnel are three callout boxes with questions pointing to the funnel.

- 1) Reduce waste?
Improve quality?
Increase safety?
- 2) Does it address the root-cause?
- 3) Is it standardized?

28



29

Is This a Kaizen?

1

→

2

→

3

1

Check if it addressed AT LEAST one of these areas:

↓

↓

↓

↓

Problem Type <input checked="" type="checkbox"/>	<input type="checkbox"/> SAFETY	WASTE: <input type="checkbox"/> Overproduction <input type="checkbox"/> Inventory	<input type="checkbox"/> Waiting <input type="checkbox"/> Motion <input type="checkbox"/> Overprocessing
Check all that apply	<input type="checkbox"/> QUALITY Kaizen = Improvement + standardization	<input type="checkbox"/> Correction <input type="checkbox"/> Ideas not used <input type="checkbox"/> Conveyance Kaizen deals with root causes	

A Kaizen must address Safety, Quality or Waste. If you can quantify the benefits, chances are you improved the issue.

2

Check if it addressed the ROOT-CAUSE:

A Kaizen MUST go after the real causes of the problem. Superficial remedies result in unpredictable results.

3

Check if it is STANDARDIZED:

A Kaizen will not roll-back with time. It will be sustained through standardization techniques.

A **Small but Incremental Gains**

Mon	Tue	Wed	Thu	Fri	Sat	Sun
1	2	3	4	5	6	7
\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
8	9	10	11	12	13	14
\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
15	16	17	18	19	20	21
\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
22	23	24	25	26	27	28
\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
29	30	31				
\$1,000.00	\$1,000.00	\$1,000.00				

The essence of Kaizen Teian...

Kaizen

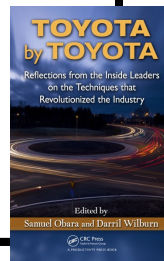
1% improvement...

...every day




The essence of Kaizen Teian...

**100%
improvement in
70 days**



The essence of Kaizen Teian...

- Kaizen Event
 - Kaizen Blitz
 - Kaizen Breakthrough
 - Kaizen Week
 - Kaizen ...
- } Kaizen in Batches



Lost in Translation



Thank You!

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www.honsha.org