



INSIGHT

David Veech

It takes fewer than a dozen steps to make a leaner organization

Thousands of organizations are taking steps to improve productivity, efficiency and profitability following the methods pioneered by Toyota.

Applying these methods requires a different way of thinking — lean thinking.

In a nutshell, lean thinking focuses specifically on the steps in production processes that add value to products and services, arranging those steps for a smooth flow and removing any barriers to that flow.

Toyota's revolutionary thinking can

be adapted to virtually any business or organization — from health care to high-tech and professional services to product delivery.

But it requires a total commitment.

Follow steps to achieve a more lean and efficient organization

Start with people

Here are 11 steps that your organization can take to become leaner and more efficient:

- Focus first on improving your people. Become an effective coach. Help workers develop the skills that will enable them to make continuous process improvements. The most important skill is problem solving.

- Understand how work really gets done. Most of us can make pretty good assumptions about what's happening at work, and that will get us by.

To become lean, everyone must know the status of the work at any given time. You must deliberately map your processes, gather accurate data and use these facts to make improvements.

- Lead by personal example. We can't expect our co-workers to change if we're not willing to change ourselves.

By changing your own behaviors and interacting with your people in the workplace, you'll send messages more

powerful than any motivational poster you could hang.

- Listen to the people who do the work daily. No one knows what's going on better.

If you take the time to ask and show your willingness to listen, co-workers will share their ideas, identify barriers to success and show how interested they are in making the organization successful.

- Focus on adding value. It's all about attitude.

Look at everything from a brand new perspective. Instead of chasing and eliminating waste, think: "Where can we add value?" It's a subtle shift in thinking that can change everything.

Don't just go with flow

Other strategies to make an organization lean are:

- Make work flow. Work should flow seamlessly without slowing down, backing up or accumulating. Don't limit yourself to physical flows.

Material flows. Information flows. Imagination flows. You want to create a workplace that allows all three to happen.

- Organize and standardize. Take the first steps toward simplifying.

Hundreds of organizations are applying the "5S" principles to organize the workplace (Sort, Set in Order, Shine, Standardize, Sustain).

It's a great way, and generally non-threatening, to get the entire work force engaged.

Where we fall short, though, is when we believe "5S" is only a housekeeping task.

But "5S" is the set of building blocks that leads to a learning organization.

- Provide performance feedback in real time.

Tell your people how they're doing against expectations.

Unfortunately, formal performance appraisals only provide feedback annually. If you want to make a difference, feedback has to be constant.

That doesn't mean standing next to workers to tell them whether the work they just did was good or bad.

It means designing work so they can tell whether they are doing it correctly and in the required amount of time.

Systems provide feedback. You supplement the system with personal interactions every day.

Involve everyone

- Put everyone on a team. Small teams in the workplace create a sense of identity for people. Teams give people reasons to come to work (so they don't let down their teammates).

But effective team-building must be preceded by trust-building and clear, team-based goals and objectives.

- Turn loose. The more you depend on team members, the better the results. We're all control freaks to some degree.

But if you've built relationships, developed skills and support systems and organized effective teams, you should be able to release control.

That doesn't mean you relinquish leadership. You still have an obligation to guide and support.

Turning loose also requires a new level of accountability throughout the organization. But you'll find that if you trust people to fulfill their potential, they'll rise to performance levels you never imagined.

- Don't rush it. Perhaps the biggest barrier to success in organizational change is the pressure for short-term gains.

Changing the culture of an organization takes time. It requires a new system and a new structure. Lean provides both, but if you want it to last, ease into it. Don't just jump.

David Veech is executive director of the Institute for Lean Systems and former director of the lean certification program at the University of Kentucky.

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