



Lean is a People Process

Lean is a philosophy – a collaborative approach where management and staff work together, on equal terms, to identify and eliminate business problems and increase customer satisfaction. It is a mindset which seeks to create a culture of continuous improvement.

Lean might be described as a management system that highlights problems, coupled with a human system that produces people who are willing and able to identify and solve those problems.

After all, “waste” in processes can only be eliminated by people working together, using problem solving tools. Thus lean is more about engendering behaviours that encourage collaborative problem solving and improvement, than it is about knowing what an Ishikawa Diagram is, or having a view on the “correct” process mapping approach to use.

Lean is a people process, and the focus should be on engaging and involving people, rather than having a checklist of tools that you make people work through.

To quote John Shook, Chief Executive of the Lean Enterprise Institute:
“The famous tools of the Toyota Production System are all designed around making it easy to see problems, easy to solve problems, and easy to learn from mistakes. Making it easy to learn from mistakes means changing our attitude toward them.”

Lean is a change of mindset. Entering into lean with a top-down command and control structure will not work. Lean

means changing our attitude: changing our attitude to problems, and changing our attitude to learning from mistakes. All of this requires openness and trust at all levels of the organisation. That is not easy to achieve and is one of the main reasons why lean fails.

Lean is a people process. Get to know your people. Listen to them. Learn from them. Work with them to remove the obstacles and issues that make their work difficult and damages customer value. Be open and honest, and the results will begin to show.

7 Wastes in the process

Lean is a strategy for your organisation to create value and reduce waste. Any solution which makes both of these improve for all stakeholders is successful.

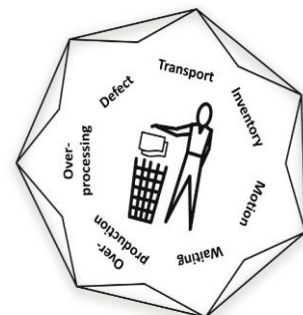
There are 7 commonly recognised wastes within the lean community. These are shown below.

The 7 wastes tackled by lean thinking (and standards)

HEADS OR TAILS?

REMOVE WASTE

TO BE RELIABLE



Many books explain and define these seven wastes; I will quickly do the same.

As your people become more familiar with lean, they will see these 7 wastes more and more often, even better, they will find ways to reduce them.

Transport is the waste you have when you move a product or service between locations and / or people in order to start the next step in the process. People confuse transport waste with value in that they say “I moved it so we could add value” when they should be saying “it moved in one direction towards the ultimate customer, in all organisations, and never back and forth.”

Inventory is the waste you have when you have products or components (including items necessary for a process) which are not going to be immediately used or sold. This inventory waste thinking conflicts with our economy of scale thinking; buy big and get a big discount. Inventory waste recognises that you have to store, manage and move inventory and also that inventory gets damaged, expires or becomes obsolete; therefore always try to have lower and lower inventory. Inventory also allows for suppliers to hide poor quality, the lower the inventory the lower the number of defective components that you and the supplier will have to resolve when a defect is discovered. Consignment stock and customer managed inventory do not eliminate inventory; they just hide the ownership and / or decision making in ordering inventory. Lean recognises all of these perspectives and always tries to lower the total inventory of both finished goods (at your organisation and your customers) and raw materials (at your organisation and your suppliers).

Motion is the waste you have when an employee moves around their place of work in order to complete the process. This waste is best seen when you stand in one place and observe people; I have seen people move over 3km in one day and they worked in an office. Do you pay your people to waste 2 hours walking every day? Save time, energy, injury and delays by eliminating unnecessary motion.

Waiting time is a waste the customer always experiences and your employees are very vocal about; someone is always waiting for someone else. Some waiting time is valued; if you are in an expensive restaurant you do not want your food in the same time as a fast food restaurant. Eliminate the waiting time customers do not value, like waiting for their check at the end of the meal or ensuring that when you say the fish will take 20 minutes they receive it in 19 minutes. They will be delighted by your organisation’s reliability (meeting your promises) and service (ensuring they receive hot, freshly cooked food when it is ready).

Over-production is often called the mother of all wastes. This is because if you make more than is needed, you have inventory. When you have excessive inventory then two things commonly happen: you make customers wait as you search for the right product and you pay higher storage costs. Standardised work, in partnership with standards, is a great method to reduce over-production. When you have reliable and predictable processes, you can afford to make things either later than previously thought or when the customer asks. This is clear when it comes to a physical product and less clear for a service. Service over-production can be thought of as producing documents or information which are not needed for the process to achieve its goals (think reports which are produced but never read).

Over-processing is when you touch, move, alter, enhance or check a product or service, more often than the customer truly values. Typing an address from one system onto a spreadsheet is a simple example, whereas including features on a product that the customer does not value may be more difficult to quantify.

Defects: if over-production is the mother of all wastes, then defects is the father. Defects create rework, write-offs and the need for inspection, they are prevalent everywhere in service based processes and over the next 50 years, hopefully they can be minimised in a way which has been similar to the achievements within

manufacturing. Also be aware that a defect free product is not the same as a product the customer values.

The 8th Waste: Some lean literature will suggest unutilized talent as an eighth waste (or list 7+1 wastes). I disagree that unutilized talent is a waste for one simple reason: unutilized talent does not relate to the product or service; it relates to the people making the product or service. To maximize the use of talent I suggest fixing management with better ways in managing the new standard, as described in my new book, *The Joy of Standards*.

In summary: Lean is a strategy for your organisation to create value and reduce waste. I recommend *The Joy of Standards* to eliminate the 7 wastes and make value improve for all stakeholders. Try it and see.

Writing an Effective Problem Statement

by John Parker

A **problem statement** is a concise description of the issues that need to be addressed by a problem solving team and should be presented to them (or created by them) before they try to solve the problem.

In project management, the problem statement is part of the project charter and defines what the problem is so that the project team and stakeholder can focus their attention on solving the problem. It is important to have a good problem statement before starting eliciting requirements for a solution. A good **problem statement** should answer questions such as:

- What is the problem?
- Who has the problem?
- Where does the problem occur?
- When does the problem occur?
- What does the problem impact?

A good **problem statement** should be:

- **Concise.** The essence of your problem needs to be condensed down to a single sentence. A reader of the project statement should be able to say “Aha!! Now I now understand the problem.”
- **Specific.** The problems statement should focus your thinking, research, and solutions toward a single population or issue.
- **Measurable.** Problems can be measured in terms of degree and frequency. The strongest problem statements incorporate measurable aspects of both the degree and frequency of the problem as it exists.
- **Specify what is Impacted.** The problem statement should identify the population affected by the problem.

Let's examine the steps for creating a good problem statement.

- Write down your problem or current state. Don't worry too much about quality at this point – simply making a start is significant.
 - Expand on the problem by asking the following questions:
 - Who does it affect / does not affect?
 - What does it affect / does not affect?
 - How does it affect / does not affect?
 - When is it a problem / is not a problem?
 - Where is it a problem / is not a problem?
 - Re-write your problem statement based on those answers. It may consist of several sentences or a set of bulleted items.
 - Try to revise the bulleted list or initial problem statement into a single clear sentence. This might take a couple of attempts but stick with it. Finally, review your new problem statement against the following criteria:
 - Focused on only one Problem.
 - One or two sentences long.
 - Does not suggest a Solution.
- You should now have a concise and well balanced **Problem Statement** ready for a brainstorming session. It should be unambiguous and devoid of assumptions. It will enable you or your group to focus in on the problem and provide the foundation for the team to begin work toward solutions that truly fit.

15 Things to Give Up If You Want to Be Happy

1. Give up your need to always be right.

Would I rather be right, or would I rather be kind? — Wayne Dyer

2. Give up your need for control.

By letting it go, it all gets done. The world is won by those who let it go. When you try & try, the world is beyond winning. — Lao Tzu

3. Give up on blaming others.

A man can fail many times, but he isn't a failure until he begins to blame somebody else. — John Burroughs

4. Give up your self-defeating self-talk.

The mind is a superb instrument if used rightly. Used wrongly, however, it becomes very destructive. — Eckhart Tolle

5. Give up your limiting beliefs.

A belief is not an idea held by the mind; it is an idea that holds the mind. — Elly Roselle

6. Give up complaining.

You can complain because roses have thorns, or you can rejoice because thorns have roses. — Ziggy

7. Give up the luxury of criticism.

Spend so much time improving yourself that you have no time left to criticize others. — Christian D. Larsen

8. Give up your need to impress others.

Don't try to impress others. Let them have the fun of impressing you. — James R. Fisher, Jr.

9. Give up your resistance to change.

Follow your bliss and the universe will open doors for you where there were only walls. — Joseph Campbell

10. Give up labels.

The highest form of ignorance is when you reject something you don't know anything about. — Wayne Dyer

11. Give up on your fears.

The only thing we have to fear is fear itself. — Franklin Delano Roosevelt

12. Give up your excuses.

99% of failures come from people who have the habit of making excuses. — George Washington Carver

13. Give up the past.

Forget the mistakes of the past and press on to the greater achievements of the future. — Christian D. Larsen

14. Give up attachment.

The wise individual doesn't get too attached to any of life's pleasures, knowing that wonderful science is hard at work proving it's bad for him. — Bill Vaughan

15. Give up living your life to other people's expectations.

The world is a mirror and reflects back your expectations. What you get is what you see. You create your own reality. — Denis Waitley

Lean Tips:

Set a path to your goal.

Learning is like a journey and when planning a journey it helps to have an idea of where you want to go and what you want to achieve. You can change/adjust your goals or your path at any time; exciting opportunities could arise that you might not have anticipated before starting on your journey. In any case, moving towards your goal requires you to make choices and then take some steps - even tiny steps - in that direction. Remember "the journey of a thousand miles begins with a single step" (Lao-Tzu, 604 BC -531 BC).

Create a culture that values direct observation.

Identify some "champions" to role model the importance of observation, teach others to do it well, and mentor others in the process. A system-wide change regarding the culture of observation can be both challenging and intimidating.