How to Change from a Mass Production Culture to a Lean Culture in 10 Easy Steps

Open - “I want a talk about how to develop a lean culture and not all the standard BS about leadership”

Step 1 (Fair Compensation)

The organization has to provide a level compensation that allows the organization to satisfy the majority of their associates basic sense of fairness. Without basic compensation fairness test being satisfied the associates cannot find the the purpose, autonomy, mastery in their daily work that a lean culture requires.

Each organization has to define fair compensation against all of the other stakeholder demands, but the individual associates will define whether or not it meets their basic fairness threshold.

Thought Exercise

Leadership thinks “If the associates would come to work, follow instructions, produce less scrap, solve problems, etc. I could/would pay them more”

Question: Which do you think comes first the associates behavior change to an engaged problem solver or their perception of fair compensation?
Step 2 (Leadership Commitment)

Leadership has to make it an organizational priority to move from a mass production model to a lean manufacturing model. This need has to be a “Need” and not a desire.

Companies/Countries can copy products and services a lot easier than they can copy a lean culture where associates are engaged and helping the organization create value and reduce waste.
Step 3 (Leadership Lean Knowledge)

Leadership has to educate themselves on lean principles. They have to have a basic working knowledge of lean manufacturing concepts.

The individuals in leadership roles must be able to

a. identify value
b. map value
c. create flow
d. establish pull
e. use & teach data driven P.D.C.A. problem solving methodology
f. promote a continuous improvement culture.
Step 4 (Leadership Lean Behaviors)

Leadership needs to develop themselves into lean leaders by exhibiting the following behaviors:

- Ask questions (don’t give answers)
- Simple is best
- Take small steps
- Keep commitments
- First listen
- Use data driven P.D.C.A. problem solving (critical knowledge & discipline)
Step 5 (Leadership Supervision)

Leadership has to understand what is required to implement a lean manufacturing system/culture and whether the individuals in positions of authority have the skills, resources, and commitment to implement the lean manufacturing systems.

Leadership must understand when additional training and/or resources are required and when MOST IMPORTANTLY TO STAY SILENT AND OUT OF THE WAY!
Step 6 (Lean Manufacturing 101)

Leadership and the management team begin to develop lean manufacturing systems throughout the organization:

1. Provide stability to the organization (production/maintenance/quality)
2. Identify and map the value that the organization creates (value stream mapping)
3. Create flow (circular cell design, connecting process, don’t pass a defect)
4. Establish pull (takt time, kanban, supermarkets, flow lanes)
5. Train everyone in the organization on disciplined data driven problem solving techniques P.D.C.A.
6. Set a continuous improvement mindset throughout the organization
Step 7 (Deploying Data Driven Problem Solving)

Leadership and management must deploy their data driven problem solving skills throughout the organization first.

The problem solving methodology must show the associates how the process is focus on problem identification (*a problem properly identified is half solved*), data, root cause analysis, and solving the problem - NOT BLAME.

The problem solving methodology should then be moved down to the floor supervisors, team leaders, and associates. When moving problem solving down the organization make sure the training on problem solving has been completed and that problems that they are asked to solve are within the scope and capacity of the team being tasked to solve them.

Leadership and management’s role in associate problem solving activities is focused and coaching and teaching the P.D.C.A. process and NOT ON SOLVING THE PROBLEM!
Step 8 (Standard Work)

Create standard work for your processes.

(Warning! This is hard - very hard)

Some of the challenges that you will face:

a) The standard work has to be done without making the associates feel that their knowledge is not valued by the organization.

b) The standard work can not make the associates feel threatened, i.e., “if my work knowledge is all down on paper anyone can do my job”.

c) The standard work has to be a product that is developed and owned by the associates.

d) Continuous training, supervision, and associate involvement is critical to keeping the standard work effective and improving.
Step 9 (Standard Work for Leadership)
Create a strategic deployment plan that has tiered visual management from the C-suite to the production floor.

Create standard work for leadership and supervision. The standard work should get them out of their offices and into the production environment to review the daily, weekly, and monthly visual management boards.

During their observations leadership should confirm that the huddles are taking place as scheduled, that the associates are engaged, that issues are being identified, and that problems are being solved in the correct manner.
Step 10 (Celebrate)
Celebrate all efforts and progress big and small.
The celebrations don’t have to be expensive, i.e., taco parts, hot dogs, hats, something.

Go back to Step 1 and tighten the circle, get better every day and in every way possible.
Wait! You Came Here Today To Lean How To Move From A Mass Production Culture To A Lean Culture.

- It is O.I.T.’s experience that lean culture is the sweat fruit that you find at the highest point on the tree and it can only be harvested after steps 1 though 10 are completed (Steps 1 through 10 don’t have to be implemented perfectly or even close).

- Lean culture will follow both the leadership behavior and the lean manufacturing systems and only when both the lean leadership behavior and the lean manufacturing systems impact the associates in a positive and meaningful way.

- Associates adapt to the leaderships behaviors exhibited around them and to what they perceive as being in their best interest. You will have early adopters, late adopters, and ever adopters to the lean problem solving culture.

- Obtaining a lean culture is a difficult and often times frustrating journey (that is why step 1 - Leadership Commitment is so important).

- You transition from a mass production culture to a lean culture by creating a safe data driven problem solving organization with effective lean manufacturing systems and leadership behavior.
So you don’t have leadership on-board with lean?

No problem!
Every tool in the lean tool box will make meaningful improvements to your organization and working environment.

Start with the tools and don’t worry about the culture, if you do a good job with the lean tools and associate engagement you will be developing the organization for a transformation to a lean culture at some point in the future (when leadership gets on-board).

“Successful creation of a lean process is derived from a deep understanding of how each lean tool is utilized to accomplish the objective of waste elimination. Once piece flow is a way of making waste visible. Use visual control so that no problems are hidden. Learn to stop and see the real problems within the process.” Toyota Way Field book