



Manufacturers Alliance Seminar **Gaining More Support for Lean**

Practical experiences from executives on how they
are actively developing a culture of CI

Open Therapeutics

Jerome Hamilton, CEO

Gaining More Support For Lean

Presented by: Jerome Hamilton

“A total management system is needed that develops human ability to its fullest capacity and fruitfulness, utilizes facilities and machines well, and eliminates waste. This system will work for any type of business”

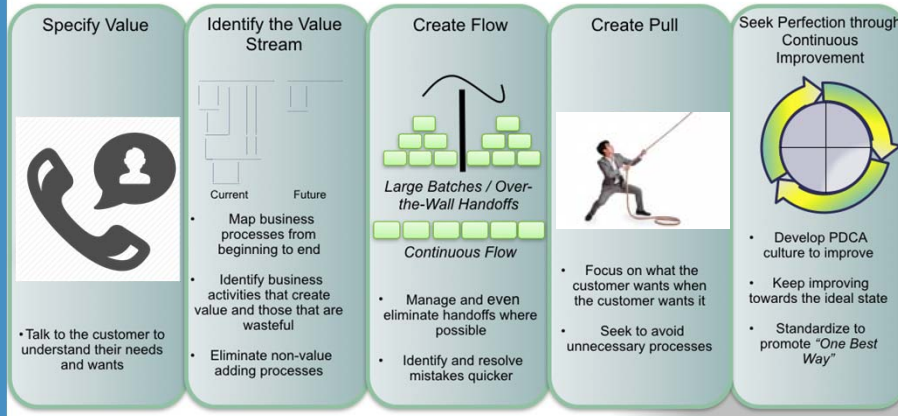
Lean Enterprise Operational Management System TPS – Taiichi Ohno



TRAINING THE TEAM

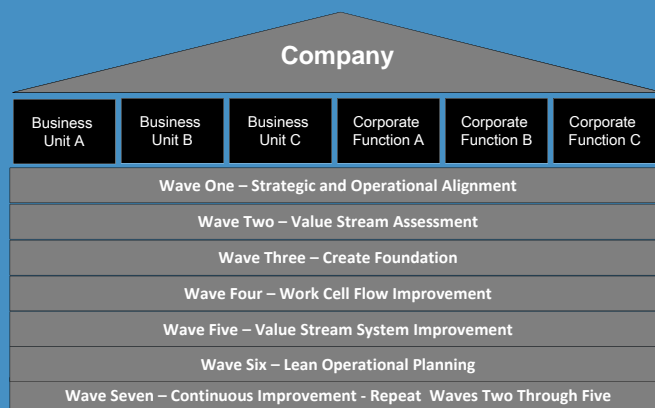
Salaried & Hourly

Lean Process Improvement



Enterprise Lean Transformation Organizational Deployment

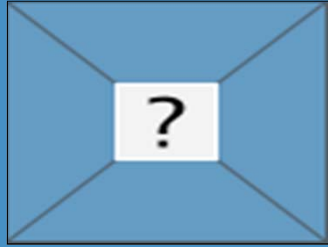
Creating Conditions for Sustainable Lean Continuous Improvement



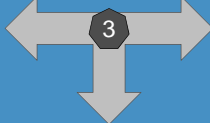
Value Stream Mapping Process

1 Create Current State Map

2 Create Future State Map



Define Improvements needed to achieve the future state



4

Prioritize improvement projects and define 90 to 180 day improvement project plans

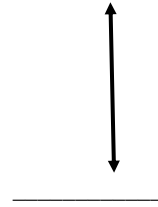


Problem Consciousness

What should be happening? (Standard)

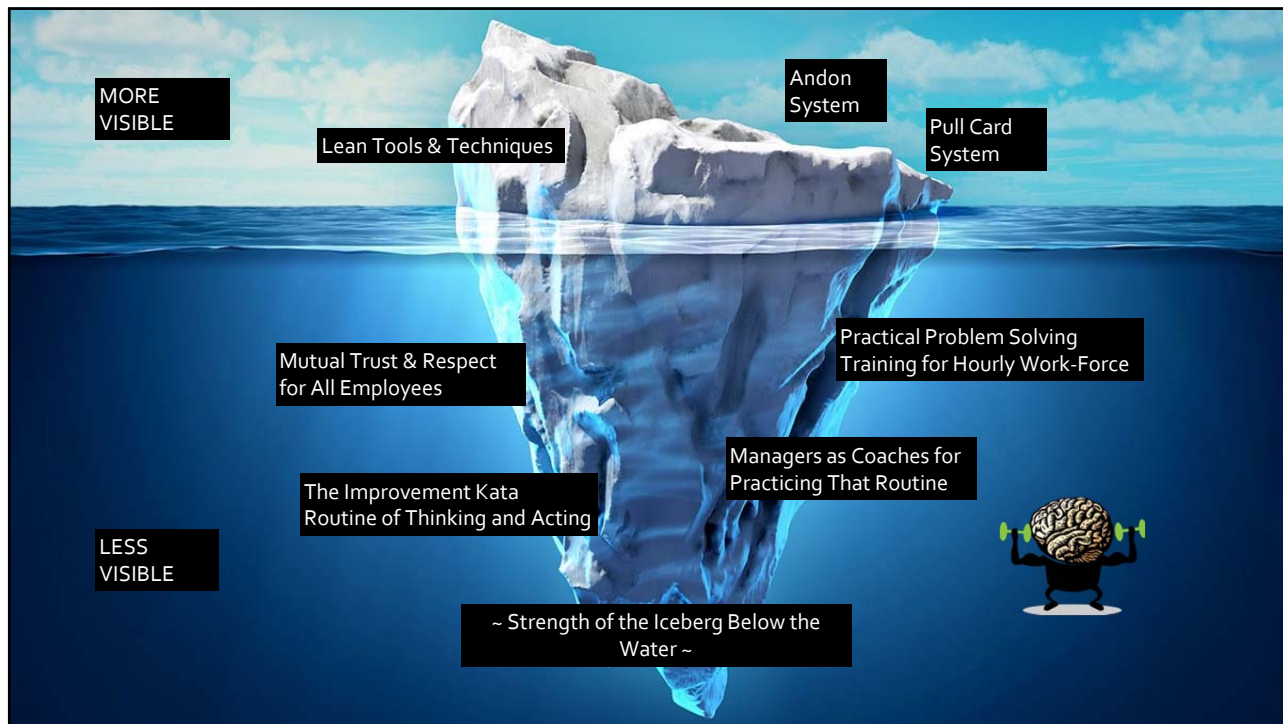
Gap = Problem

What is actually happening?



Source: Getting the Right Things Done, Pascal Dennis





“Investing in People to Get a Return.” A Lean Culture invest in people to get a return from their applied knowledge. One of the biggest elements of culture change is not just paying hourly workers for their hands but their minds as well. Getting rid of the eighth type of waste “lack of return on knowledge”. Then training the entire workforce on Lean principles and practical problem solving. Which is what NUMMI did!”

Jerome Hamilton



360° Lean Culture Coach Development Assessment				Feed Back			
Sensei - Coach other Coaches 156 -195 Points - Continue to work on moving 3's to 5's				Rarely	Seldom	Guidelines for suggestions:	
Coach - 117-155 Points - Continue development to moving 1's to 3's and 3's to 5's						1) Keep suggestions positive:(think about how you would respond if this was given to you by others)	
Apprentice < 117 - Continue learning and development moving 1's to 3's						2) Provide specific examples:(people understand constructive criticism if it is a real life example)	
Respect for People - Leading by Example				3) Maintain confidentiality:(keep your inputs to yourself and "gossiping" damages great teamwork)	Provide concrete examples and constructive suggestions for improvement		
1	Consistently treats people with dignity and Respect						
2	Encourages team members to contribute their ideas in team meetings						
3	Admits mistakes and encourages team members to admit mistakes						
4	Facilitates participation of team members in decisions that affect their work						
5	Listens attentively to team member's issues						
6	Focuses team members on finding root causes and not some to blame						
7	Reaches conclusions, only after discovering the facts						
8	Gives recognition to the teams contributions to the larger organization						
9	Provides constructive performance feedback to team members						
10	Respects team member's time (ie starts and completes meetings on schedule)						
11	Regularly recognizes team members contributions to the group's success						
12	Consistently rewards team members for their job performance						
Continuous Learning and Development							
13	Motivates team members to continuously improve their knowledge and work skills						
14	Makes development plans for team members, insuring they receive appropriate job training						
15	Teaches all team members coaching skills and leaders how to train and coach their teams						
16	Coaches team members and groups on job performance, consistently and constructively						
17	Encourages team members to look for and expose problems so they can be worked on and solved						
18	Takes and "System" perspective when looking for and making improvements						
19	Coaches and encourages a team approach to problem solving						
20	Encourages team members to share their ideas and knowledge with others						
21	Makes themselves available to assist team's from other areas in problem solving						
22	Supports team members when they need assistance						
23	Seeks out already proven solutions and promotes them with teams and team members						
24	Facilitates and encourages continuous change as good for the customer and job security						
Lean Process and Methods Execution							
25	Engages team members in establishing work processes and standards						
26	Regularly validates adherence to work processes and standards						
27	Responds rapidly when problems are escalated to her/his level						
28	Ensures disciplined applications of problem solving methods when problems arise - No Just do it's!						
29	Encourages team members to stop the process with quality problems arise						
30	Requires teams to deploy visual controls in all processes when appropriate						
31	Is disciplined to take action on team members suggestions to improve the processes						
32	Makes decisions on a timely basis						
33	Is a good example by making decisions on data and facts not subjective information						
34	Follows up to ensure control plans are in place so solved problems don't reoccur						
35	Holds teams, leaders and members accountable for executing their responsibilities						
36	Focuses on external and internal customer's needs and requirements						
37	Ensures team members receive needed information on a timely basis to be able to do their job						
38	Communicates regularly the business priorities and how team members can support them						
39	Creates an open communication environment so people feel free to express themselves						
Total						Team Member:	
Notes:						Area/Dept: Date (MM/DD/YYYY):	



THE LEOMS' PEOPLE LEADERSHIP EXPECTATIONS:

- 1) Engages people at all organizational levels
- 2) Teaches team members to focus on work, material flow & value stream to see waste
- 3) Gives team members deep technical and process knowledge
- 4) Pushes responsibility for management and improvement to the lowest possible level
- 5) Introduces metrics to encourage horizontal thinking
- 6) Creates frequent problem solving loops between themselves and their superior and themselves and their subordinates
- 7) Accomplishes these six leadership responsibilities through application of policy deployment, A3 analysis, standardized work with standardized management and kaizen.



LEADERS AS COACHES

Ask questions about team member's job responsibilities and activities

1. What problems are you having?
2. Why is this happening?
3. What temporary or permanent counter measures have been considered?
4. Why is the implemented counter measure the best choice?
5. Show respect for team members' work
6. Verify that clear responsibility is assigned for every process and problem



PROBLEM SOLVING TIPS

- When Visible abnormalities appear. “swarm the problems”; this infers that frontline organization structures should be designed similar to Toyota's, which allows group leaders to respond when needed.
- Favor actual observation of problems vs. brainstorming in a conference room; nothing beats being at the scene to keep root-cause identification focused on reality.
- Perform rapid experimentation to implement temporary countermeasures until permanent counter measures/solutions are found and implemented.

PROBLEM SOLVING TIPS

- Stop/fix problems within Takt time to not cause lost time, missed shipments and rescheduling. Violating Takt time has major cost penalty as all plant cost will not be “absorbed” by the unit(s) of product during lost time, resulting in higher fixed cost.
- Take determined action to reach toward achieving target state conditions, as it is the only way to continuously improve quality and reduce defect cost.
- Practice knowledge sharing – Yokoten:
 - Horizontal, peer-to-peer sharing of what, how, and replication of improvements
 - Systematic dissemination
 - Knowing “Why” is as important as knowing “How”
 - Sharing methods: 5 minute meetings, team/group meeting, storyboards and learning labs



Quality Principles and Rules	
All Defects are Preventable	
1	Plan new product quality based on clear understanding of customers expectations
X 2	Delivering quality which exceeds our customers expectations is our first priority
3	Statistical Process Control will be used where applicable
4	Quality problems will be resolved at the earliest development stage possible
5	Quality Problem solving will be conducted systematically based on facts and data
6	Thorough testing of new products will be conducted
7	The P-D-C-A cycle will be utilized when conducting Quality related activities
X 8	Standardized Work will be followed to assure consistent quality
9	Provide clear quality standards to be observed by all concerned
10	Process capability will be proven at the pilot stage
11	Parts, materials and vehicles will be handled so as to prevent
X 12	Parts, materials and vehicles will be processed on a first-in first-out basis
13	Suppliers are expected to supply only 100% conforming parts and material
X 14	Quality will be built in at each step of the process (Jidoka, Pokayoke)
X 15	All team members contribute to quality improvement (Kaizen) activities
16	Management is responsible for quality
17	Thoroughly inspect vehicles to assure customer satisfaction
18	Quality Audits will be conducted by all QC/QA systems
19	QC Education and training will be provided
20	Quality information will be clearly communicated
21	Be a worldwide innovation leader in quality
x = Highest Priority for quality meetings	
Top 3 Quality Rules (Right Now)	
1	Follow Standardized Work without exception Production, inspection and maintenance should conduct the specified task at the specified time in the specified sequence and conduct process control checks according to schedule
2	Build quality in station Check your own work and correct defects. Stop the line if necessary to avoid passing defects to the next process. Apply and maintain pokayoke devices
3	Handle parts, materials and vehicles with care to prevent damage Carefully handle parts during transportation, delivery and installation. Utilized personnel and equipment protection to prevent damage to vehicles.



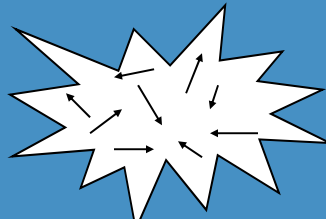
1. **INVOLVEMENT**
 - Safety, 5S
 - Standard work
 - Problem solving culture
2. **LINKAGE TO THE CUSTOMER?**
 - Actual connections
 - Improving Flow
 - What is the "operating system"?

WHICH OF **THE FIVE PRINCIPLES** IS THE OPERATING PRIORITY?

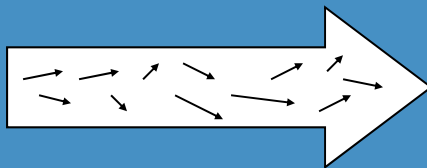
3. **SCHEDULE**
 - Right part, right time, right quantity
4. **QUALITY**
 - First time quality
5. **LEAD TIME**
 - Lot size, pulse, change over policy
6. **CAPACITY**
 - Ideal versus actual, what is the gap?
7. **EFFICIENCY**
 - Utilization of man, material, machinery



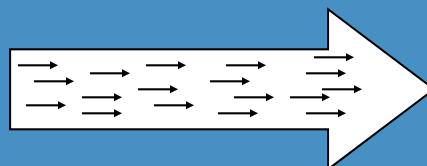
Organizational Alignment



No organization Vision:
Individuals work towards different goals;
energy is diffused.



**Organization Vision Without
Departmental and individual alignment:**
Energy is still diffused.

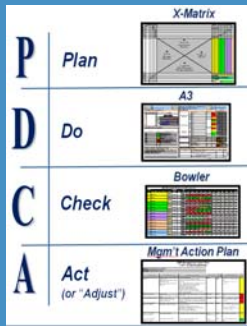


**Organization Vision With Departmental and
individual alignment:**
Goals objectives, and strategies are focused and mutually
supported.



What are the vital few priorities / attributes that MUST be in place in order for an organization to successfully deliver business results?

Three Words to Remember



Resource Allocation & Alignment

- Focus on Vital Few
- Cross functional prioritization to deliver "the business plan"

Accountability

- Key business metrics have an Owner
- Key business metrics are aligned directly to employee contribution & development plans

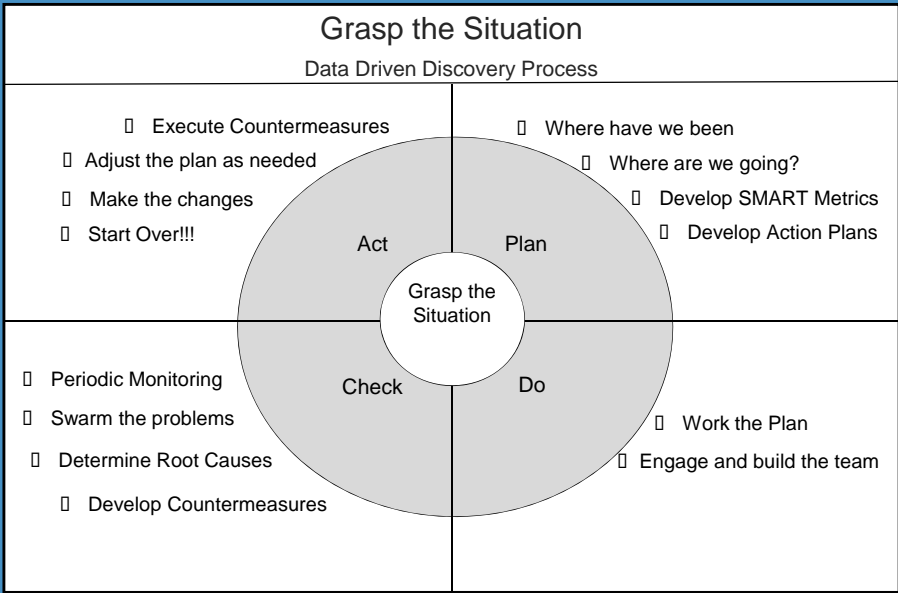
Execution

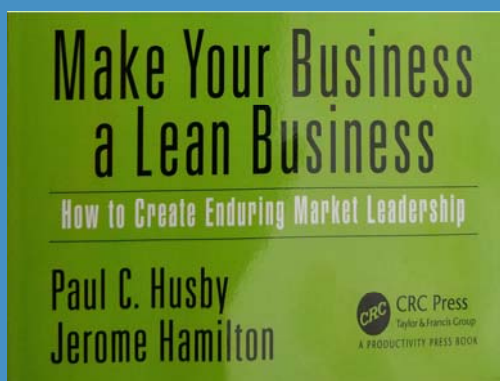
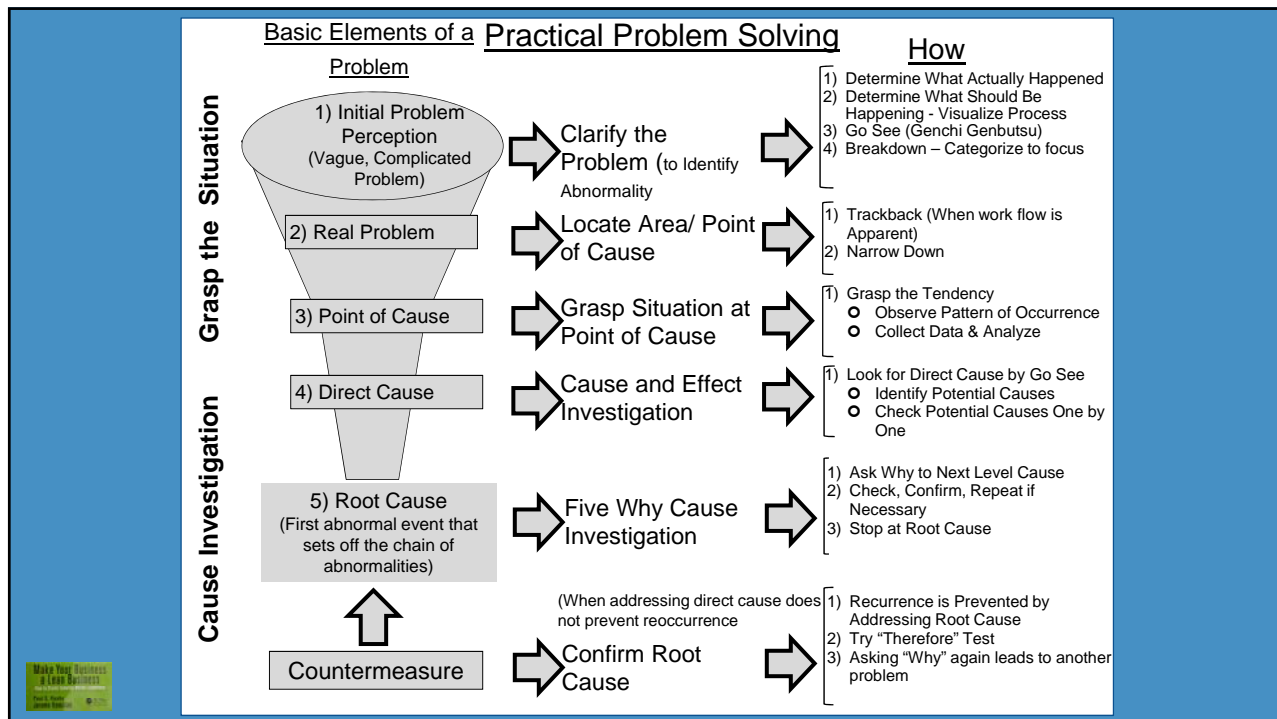
- Execution and development mindset is elevated (plans in balance / align with organization's capacity to implement)
- Continuous and step-change improvements through business improvement process



Copyright Hamilton Husby Associates 2018

PDCA MODEL





Thank You!

Presented by: Jerome Hamilton

Grab a copy of the book today!
Order form required



Manufacturers Alliance
Thank you for joining us!

Visit: www.mfrall.com

Call: 763-533-8239

Email: ma@mfrall.com