

23<sup>RD</sup> ANNUAL



**23<sup>RD</sup> LCI CONGRESS**  
 OCTOBER 19-22

# Creating, Managing & Sustaining a Lean Organization

LEARN BY DOING FROM THOSE WHO DO

OCTOBER 18, 2021

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THE ABCS OF LEAN: TRANSFORMATION THROUGH ACTIONS, BEST PRACTICES AND COACHING

## Creating, Managing and Sustaining a Lean Organization

1	Defining Lean <i>...where can we go?</i>	What is a Lean Organization? What kind of an organization do you want to be?
2	Lean Strategy <i>...where are we going?</i>	What the organization will do to deliver value to our customers Framework for how we do business
3	Roadmap <i>...how do we get there?</i>	How we get from our current state to living our lean strategy
4	Implementation <i>...the journey</i>	The strategy and roadmap will likely change over time Continuous learning and improvement
5	Manage & Sustain <i>...the journey continues</i>	How we keep it going as an ever-improving organization












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Lean Strategy A3 for: \_\_\_\_\_

**Create Your Plan**

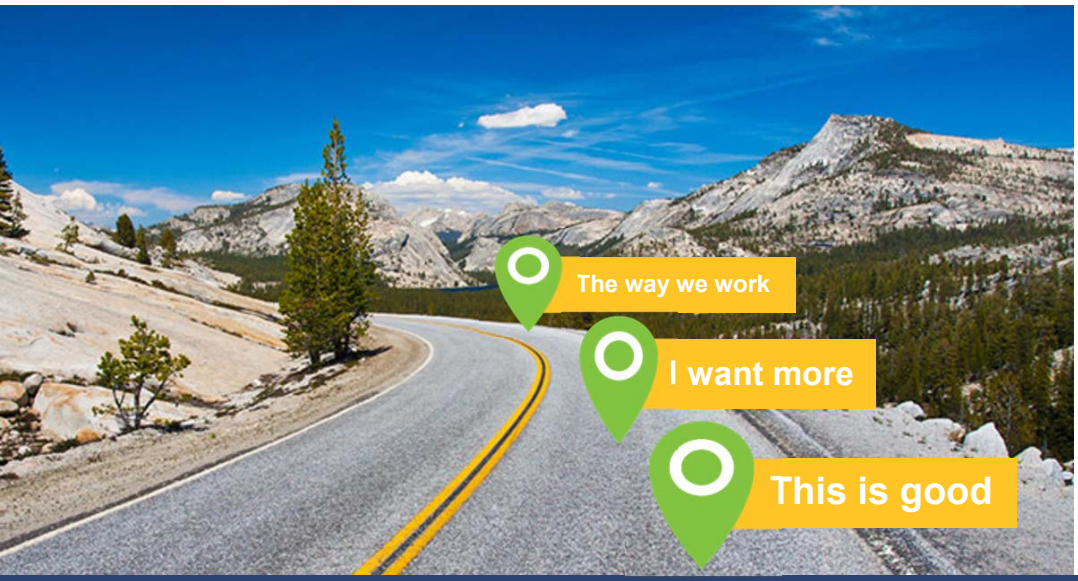
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## YOUR LEAN JOURNEY – Why a Journey?



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## Lean Organization

### Lean Project

- Usually how first experience Lean...
- Improve schedule performance, productivity, quality, safety
- Lower cost
- Less delays and issues
- Involve all parties from owner, design, GC, trades and users.

&amp;

### Lean Organization

- ...then we want more.
- Repeat success across all our projects
- Bring benefits of lean thinking and application to all departments and processes.

Lean organizations support lean projects



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## What is a Lean Organization? Defining Lean for your Organization

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Lean Strategy A3 for: \_\_\_\_\_

**Create Your Plan**


Last Updated: \_\_\_\_\_

1. What is the problem we are trying to solve? Why is this important?

Why?

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Where are we now?  
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Fill in things that support achieving goals

Fill in things that inhibit achieving goals

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Where/who do we want to be? (future state)



4. Road Map – How will we get from here to there? (Key milestones)

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C.				

6. Continuously Improve: What is working? What do we need to change, improve?


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## What does it mean to be lean?


“Lean is a way of thinking,  
not a list of things to do.”

- Shigeo Shingo



“Lean is a really, really different way of thinking”





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FASTER

# What is Lean Construction?

Lean Construction is a "way to design production systems to minimize waste of materials, time, and effort in order to generate the maximum possible amount of value," (Koskela et al. 2002<sup>[1]</sup>).

Lean Construction recognizes that desired ends affect the means to achieve these ends, and that available means will affect the ends that can be achieved.

Master Builders  
Lean construction  
two critical areas  
consideration  
project and p  
While lean co  
how it is prac

**"In any case, the term Lean Construction has escaped canonical definition. There has been a number of reasons for that. The body of knowledge is in a state of development since 1990. Nonetheless, a definition is needed to be able to operationalize the concepts and principles contained in the philosophy."**

benefits of the  
2007): (1)  
ate  
different  
as well as  
sis of Lean  
Construction. The view of Lauri Koskela, Greg Howell, and Glenn Ballard is very different, with the origin of lean construction arising mainly from the need for a production theory in construction and anomalies that were observed in the reliability of weekly production planning.

Getting work to flow reliably and predictably on a construction site requires the impeccable alignment of the entire supply chain responsible for constructed facilities such that value is maximized and waste is minimized. With such a broad scope, it is fair to say that tools found in Lean Manufacturing and Lean Production, as practiced by Toyota and others, have been adapted to be used in the fulfillment of Lean construction principles.

three unique tools and methods that were specifically conceived for lean construction are the Last Planner System, Target Value Design, and the Lean Project Delivery System.



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## Six Tenets of Lean

Lean Construction Institute definition of Lean as applied to projects.

Is it the same for an organization?



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## HOW DO WE DELIVER VALUE?



Lean is a way of thinking about the process of adding value

What distinguishes Lean from other theories of production is the focus on flow efficiency over resource efficiency

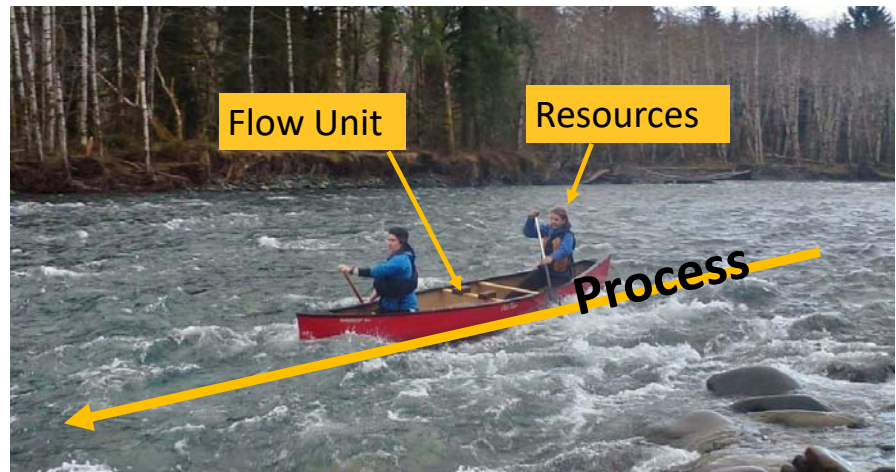
### WHAT IS LEAN?

Pull value to the customer  
with the least waste  
by flow efficiency  
and do it better and better.

### LEAN IS SIMPLE

It is a way of thinking about how value is produced. The basic concepts are:

- Specify value. Defined by customer. Created by producer.
- Waste is anything that doesn't add value.
- Value stream is the set of actions to deliver a product.
- Make the value creating steps flow.
- Pull value to the customer.
- Aim for perfection.



### FLOW EFFICIENCY compared to paddling a canoe

Lean thinkers think in terms of process and flow  
It is the responsibility of everyone in the canoe to improve

## 9 Critical Attributes of an Organization

**LEADERS** who are humble, ambitious for a purpose beyond themselves and live and lead to the other principles.

**VISION** of who you are, what you sell, what differentiates you. It is simple and understood by everyone. It guides decisions.

**FOCUSED DISCIPLINE** of thought firmly based in reality and disciplined action that follows through on a plan. Better than bureaucracy. It creates the space and freedom to manage not micromanage.

**THE RIGHT PEOPLE** with thinking ability, who are trustworthy, humble, self-disciplined and team centered. There is no need to motivate the right people.

**COLLABORATION.** It is the first four principles put into practice. It is everyone "paddling" together.

**FLOW EFFICIENCY** relates to how to produce value. Organize and manage by process, value stream. Produce as efficiently as possible from the point of view of the thing being produced.

**RESPECT** which is foundational to relationships and collaboration. The human spirit thrives under appreciation and trust.

**AWARENESS**, which is to see everything all the time. It is seeing things as they really are. It is understanding "why". It is the basis for good decisions.

**CONTINUOUS IMPROVEMENT** as a fundamental mindset. It is proactive. It is a learning organization. It uses lean thinking to eliminate waste and solve problems. Every member is a problem solver.

### The people in the canoe

What makes an organization "lean" is the people and how they interact with each other and their work... to deliver value and make work flow efficiently



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## What is a Lean Organization?

Entire organization focused on pulling value to the customer with the least waste by flow efficiency and doing it better and better

### FLOW EFFICIENCY

- Customer Value
- Waste
- Value Stream
- Flow & Pull
- Perfection

### CONTINUOUSLY IMPROVE

- Processes, systems & capabilities
- Use PDCA
- Go and observe
- Solve at lowest level

### KEY BEHAVIORS

- Involve Everyone
- Respect for People
- Lead with humility
- Deal with reality
- Focused discipline

CULTURE OF LEAN THINKERS



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## Value Stream

The sequence of activities an organization undertakes to deliver on a customer request.

Examples:

- Project from Notice to Proceed through Final
- Equipment from order to delivery
- Hiring from request to on board



*Wherever there is a request and a deliverable,  
there is a **value stream***



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## How does value stream management help work to flow?



Focus is on value streams  
instead of departments

On projects, the Last Planner®  
System drives focus on workflow  
efficiency that leads to resource  
efficiency



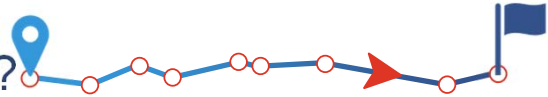
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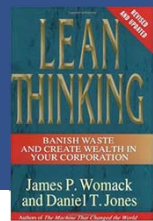
## How do we get from **here** to **there**?



1. Be committed to understanding and delivering what is valued by your customers, both internal and your ultimate customer.
2. Gradually map your value streams. Manage by value stream. Learn to think in terms of continuous flow.
3. Use the Last Planner System on all your projects. Become expert at it.

“The most basic problem is that flow thinking is counterintuitive... shift the focus from organizational categories (departments) to value-creating ‘processes.’”

– James Womack and Daniel Jones, *Lean Thinking*



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## How do we continuously improve?

1. Design the best process you can
2. Document the process (Standard Work)
3. Continuously improve the process (Kaizen)



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## Why do we want to do this?

**Continuous Improvement** is the primary way we increase productivity, lower cost of delivery, make the workplace safer, reduce lead times.

By chance? Or design?  
Which will get better results?



OR



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## What is continuous improvement?



A systematic ongoing effort to improve  
Get better and better at moving the canoe  
down the river



### Continuous

Ongoing. Never ending.  
Always looking to improve  
and a process to do it.

### Improvement

The product  
The planning  
The production  
The paddles  
The people

*Lean thinkers* – Improve  
the flow of value and  
reduce the waste.



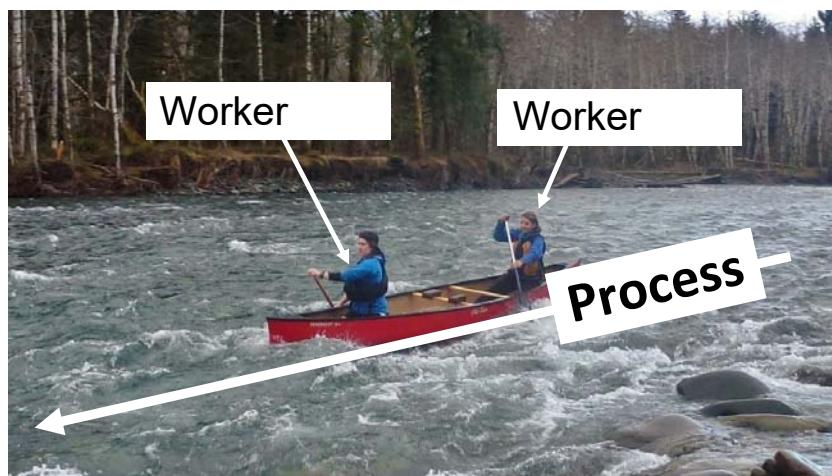
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## What is a continuous improvement mindset?

**My Job = Doing the Work**

**+ Improving the Work**



**...Everyone PDCA Every Day!**



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## PDCA – The ongoing pursuit of perfection

Where we are (current)  
Where we need to be (future)  
How we close this gap  
▪ transformation plan  
Develop consistent understanding  
and alignment with the plan

Follow the plan  
Test proposed solutions

Evaluate the results  
Why? Determine the root cause  
Expect to find more to improve  
What countermeasures should we try?

Observe/Measure (Sometimes called “Study”)



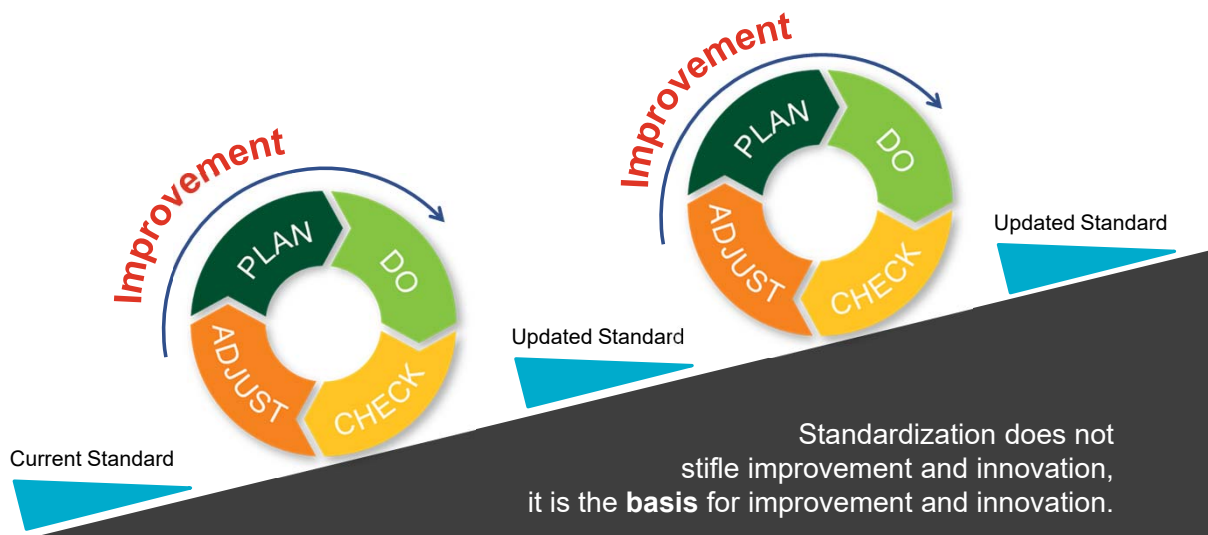
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## The continuous improvement process



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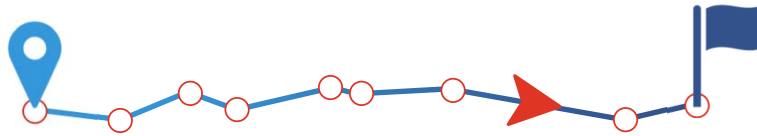
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## How do we get there from here?

1. Develop **People** who apply *Lean thinking* to their daily work
2. Provide a **System** (or process) to support them



“Train the people doing the work to spot problems and then utilize their knowledge and skills to help improve the work”

– Steven Spear,  
*The High-Velocity Edge*



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## What is a Lean Organization?

Entire organization focused on pulling value to the customer with the least waste by flow efficiency and doing it better and better

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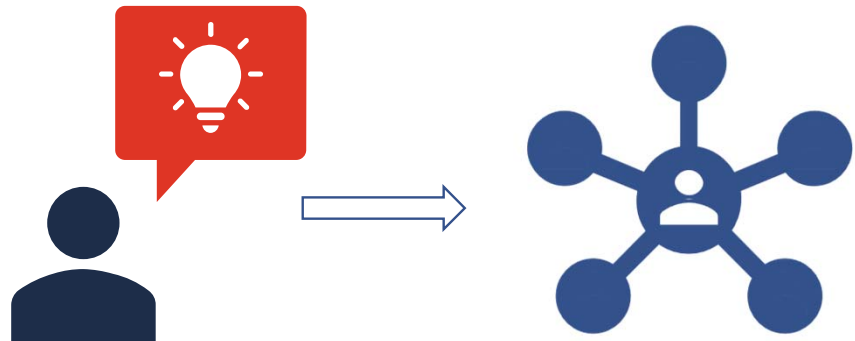
## A culture of lean thinkers

**Culture: The aggregate of people's behaviors**

A Lean transformation requires...

**a personal transformation at the leadership level about how to think about how to deliver value and solve problems**

...before there can be an enterprise transformation.



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## A framework for Lean– Shingo Model



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## Leading a Lean Organization – Shingo Model



### RESULTS

A measurable outcome from implementation of tools and systems

(e.g. higher ROI, customer satisfaction, faster turnaround, etc.)

Sustainable excellent results requires the transformation of a culture to one where every single person is engaged every day in making small, and from time-to-time large, changes.



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## Shingo Model: Results, Behavior and Guiding Principles

**PRINCIPLES**  
Foundational rules,  
universal truths  
that govern the  
consequences of  
behavior



### MANAGERS

Create and manage culture

Design systems that  
influence ideal behavior

### SYSTEMS

A collection of tools working  
together to accomplish an  
intended outcome

TOOL

TOOL

TOOL

TOOL

### PEOPLE

Operate the business

The results of an  
organization depend on  
the way people behave

The aggregate of people's  
behaviors makes up  
organizational culture

RESULTS



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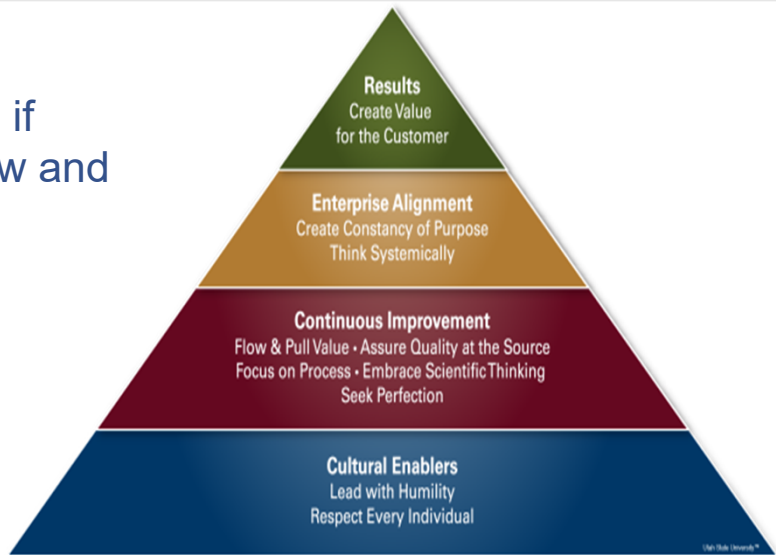
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## Shingo Model: Guiding Principles

Can you have a lean culture if leaders and staff do not know and follow these principles?

LEADERS must understand and fully embrace these principles, and at least experiment with them.



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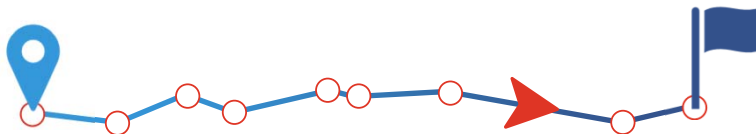
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## How do we get there from here?

1. Learn about and understand lean principles, such as by Shingo Institute
2. Act your way into a new way of thinking



"It is impossible for a leader to lead the development of a principle-based culture until he or she has gone through the deep personal reflection required to begin a cultural transformation"

– Shingo Model



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## What is a Lean Organization? – Key Take-aways

- Lean projects don't make a Lean organization
- Manage by value stream. Create flow efficiency
- Train people doing the work to spot problems and utilize their knowledge and skills, and your processes to improve the work
- Leaders understand lean principles and design systems built on those principles
- Build behaviors that create a culture of Lean Thinkers
- It's a long journey, but each step brings better results

Entire organization focused on pulling value to the customer with the least waste by flow efficiency and doing it better and better

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## Creating your Lean Strategy & Roadmap

*...where we are going and how to get there*



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## Creating, Managing and Sustaining a Lean Organization



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## What is a “lean strategy”?

**BUSINESS STRATEGY** sets the direction: What is our long-term vision? What markets do we serve? What value do we provide to our customers? What differentiates us in the marketplace?

**OPERATIONS STRATEGY** is focused on: How will you produce value? A **Lean strategy** is to do it as a continuously improving flow efficient organization. It must always connect with the business strategy.

**ROADMAP** is the plan on how you get there.

**JOURNEY** is the implementation of your roadmap.



3. How get there?

4. Implement

2. Where want to be? (Future)

1. Where now? (Current)



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## Business Strategy

What is our long-term vision?

What markets do we serve?

What value do we provide to our customers?

What differentiates us in the marketplace?

What value do we provide?

Producer



Customer

The **North Star** metric concept is best utilized by companies that invest in long-term sustainable growth. ... The value that you create for your customers drives the **strategic** direction for your company.

So... what is your North Star?

North  
Star



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## Operations Strategy

How will you produce value?

A **Lean strategy** is to do it as a continuously improving flow efficient organization.

It must always connect with the business strategy.

### HOW DO WE DELIVER VALUE?



What will we look like when we fully live our Lean strategy?

North  
Star



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### Creating your Lean Strategy – Need to answer...

- **WHY A LEAN TRANSFORMATION?**  
*What are you trying to achieve? How does it support your vision and values?*
- **WHERE ARE YOU GOING?**  
*What is your strategy? What is the direction to paddle?*
- **WHAT CAN YOU REASONABLY ACCOMPLISH?**  
*What is the level of commitment in leadership? What are your skill gaps?*

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## Developing **YOUR** Lean Strategy



The Starry Night – Vincent van Gogh 1889



Paint by Numbers for Adults - Framed Canvas and Wooden Easel Stand - DIY Full Set of Assorted Color Oil Painting Kit and Brush Accessories - Van Gogh The Starry Night 12"x16" Replica

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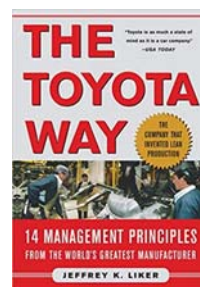
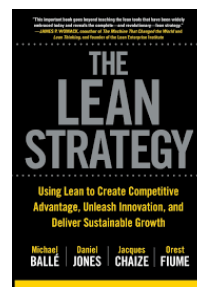
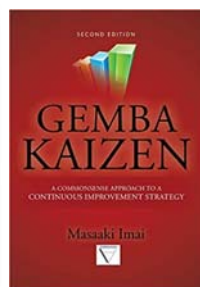
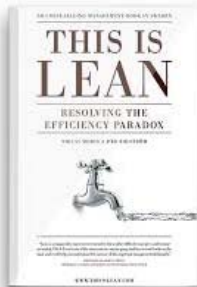
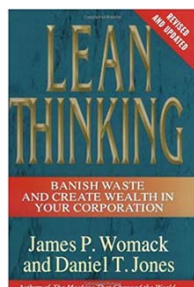
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## Learn from others “Go and See”

While it is your strategy and your roadmap, there is much to be learned from other organizations and experts.

Understand the **underlying principles**. Why does it work? What doesn't work so well?

**Use what works for you.**



**Visit exemplary lean companies**  
**Attend conferences**  
**Help from Lean consultants**



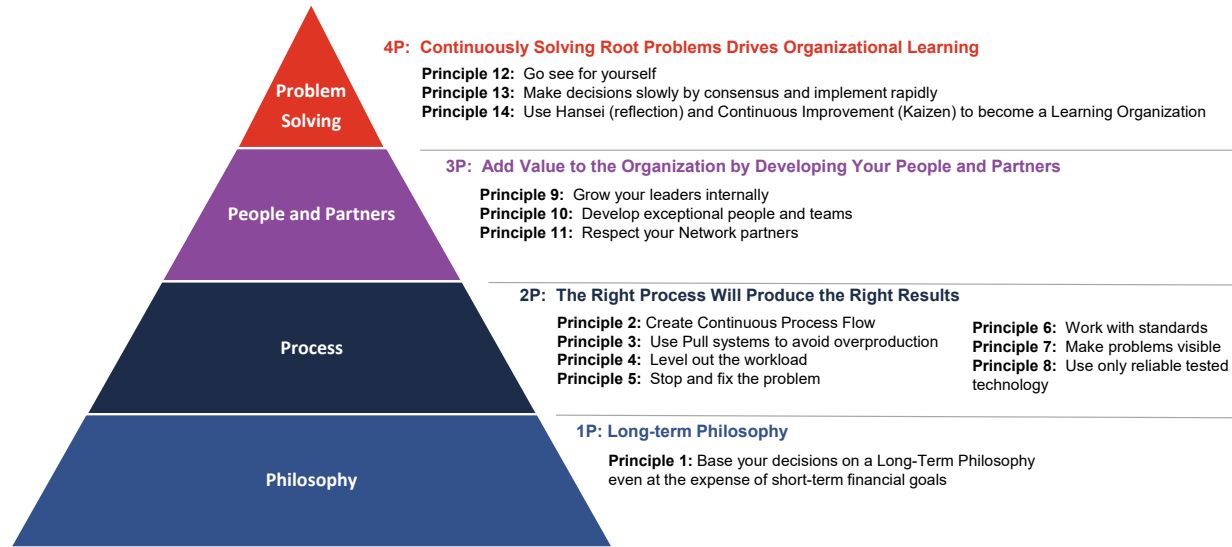
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## The Toyota Way...



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## Shingo Institute...



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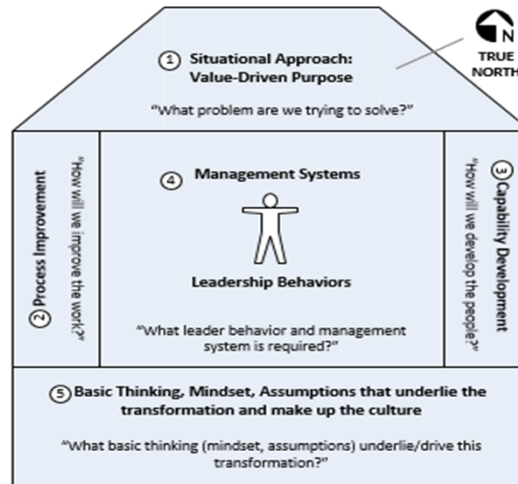
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## Lean Enterprise Institute...

### Transformation Model



Lean Enterprise Institute  
- John Shook



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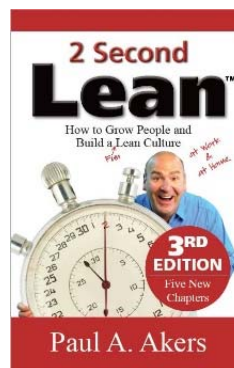
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## Other organizations on a lean journey...



Courtesy: KHS&amp;S



Story of Paul Akers and Fastcap



Courtesy: PCL Construction



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## Roadmap

How do we get from where we are to where we want to be?



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## Creating Your Road Map

### HOW DO WE GET THERE?

Start with the right question...

Where are we going?

Where are we now?

Then can better answer **HOW**.



This is a journey you can start without the whole plan  
Get pointed in the right direction

Identify a project, department, value stream to start  
Keep learning so you can see the road ahead better  
Adjust as you go



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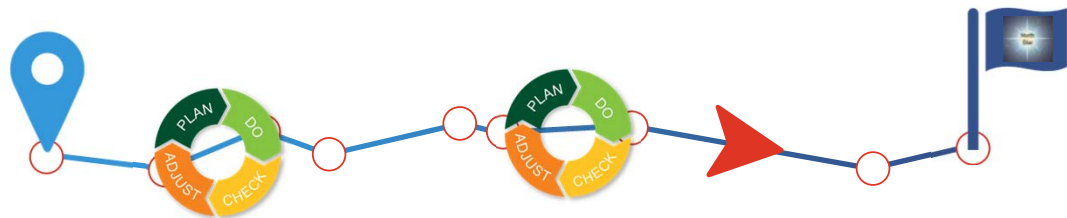
## Creating Your Road Map

### MILESTONES

Set achievable milestones that progressively build a lean organization.

Don't add more detail than you are ready to implement. It will change.

Pull planning is one element of developing the road map.



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## What are some possible milestones?

- Leadership has good understanding of Lean thinking
- Staff understands basic lean concepts
- Last Planner System on all projects
- 5S in the shop
- Value Stream Map fully implemented on a value stream
- Process and resources in place for continuous improvement

**What are some possible milestones for your organization?**

**Entire organization focused on pulling value to the customer with the least waste by flow efficiency and doing it better and better**

#### FLOW EFFICIENCY

- Customer Value
- Waste
- Value Stream
- Flow & Pull
- Perfection

#### CONTINUOUSLY IMPROVE

- Processes, systems & capabilities
- Use PDCA
- Go and observe
- Solve at lowest level

#### KEY BEHAVIORS

- Involve Everyone
- Respect for People
- Lead with humility
- Deal with reality
- Focused discipline

**CULTURE OF LEAN THINKERS**

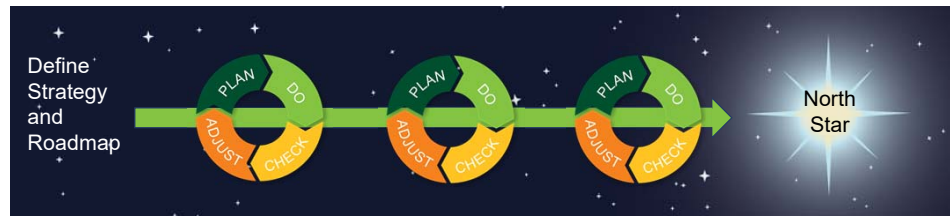
- **Determine timing and sequence of the milestones**
- **Determine the steps needed to achieve each milestone**
- **Arrange for learning and resources to support the plan**



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# Lean Journey Elements



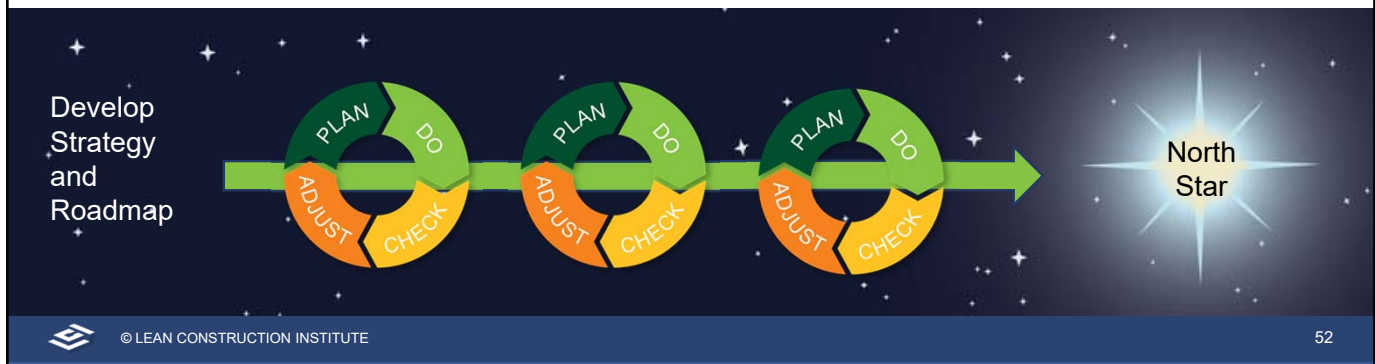
Courtesy Haley & Aldrich / Milestone Lean

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## Journey

Implement the plan. Live it. Check and adjust as we go.



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## Creating your Lean Strategy & Roadmap – Key Takeaways

- Determine what is possible. Create a Lean operations strategy in support of long-term business goals
- Learn about Lean principles and practice. Study examples of others. But make it your own.
- Create your roadmap – Identify achievable milestones and a timeline of steps to get there.
- Make sure your organization has the attributes, resources, and leadership to support the plan
- Don't make it overly detailed. Expect it to change.



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## Implementing the Plan

*...your lean journey*



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# Creating, Managing and Sustaining a Lean Organization



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Lean Strategy A3 for: \_\_\_\_\_

1. What is the problem we are trying to solve? Why is this important?

2. Current Condition – How do things work today? What is our business strategy? What strengths do we have? What will inhibit achieving our goals?

3. Target Condition – What kind of organization do we want to be? What is our “North Star”? (Our business strategy, what value we deliver, who we are, our vision). What is our Lean strategy? (How to we produce value?)

**Create Your Plan**

Last Updated: \_\_\_\_\_

4. Road Map – How will we get from here to there? (Key milestones)

Date	Description	Measure of Success

How we know we are on track (KPI & KBI's)

5. Implement the Plan (What actions will we take to reach our next milestones? How are we doing?)

Supporting Goals	Activities/Steps	Accountable/ Responsible	Metric/Status	Comments
A				Other possible columns: Start, Finish, Status, Comments
B				
C				

Implement the Plan (to first milestones)

6. Continuously Improve: What is working? What do we need to change, improve?

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## Keys to Success & Pitfalls to Avoid

What are the essential keys to success (will fail if don't have these)?

**Discuss with your table group then report**

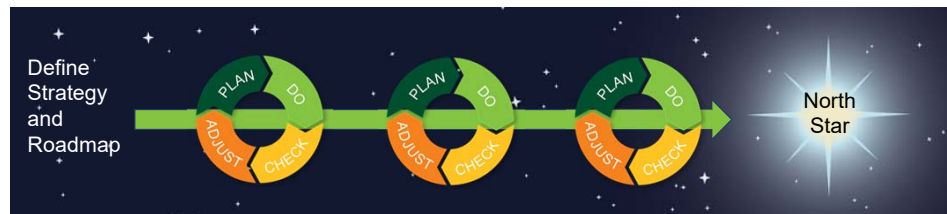
**(5 minutes)**



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## Lean Journey Elements



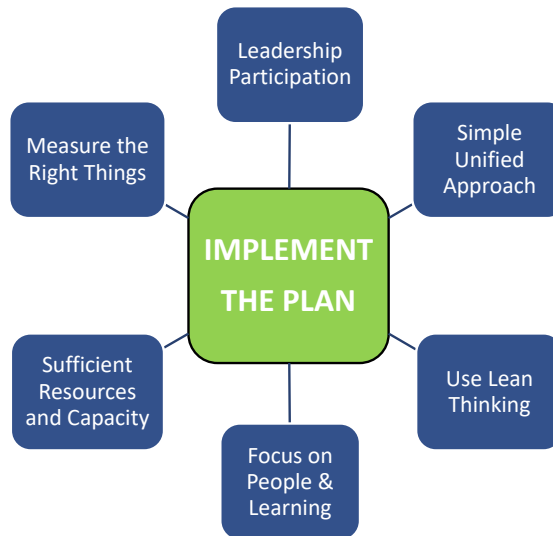
Courtesy Haley &amp; Aldrich / Milestone Lean

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## Implementing the Plan – Keys to Success



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### Need to be involved and seen embracing the change



Leadership  
Participation

- Can you really expect a Lean Culture without a key part of your team participating?
- Will anyone else do it if the leaders don't?
- Difference between support and participation
- How to gain leadership participation



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## Always know "why"



Simple  
Unified  
Approach

- Simple, understandable, repeatable
- All training/tools tie back to Lean principles & strategy
- Same basic training for everyone
- Create a common standard and language
- Make it visible to everyone



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## Use Lean principles in building the Lean program



Use Lean  
Thinking

- Who is your **customer**?
- What is **value** to your customer?
- **Pull** value by delivering the **right things at the right time**
  - Deliver training/coaching when you get most value
  - Tightly couple learning with doing
- Don't become a "program" that creates **waste** or adds **burden**.
  - Avoid unnecessary bureaucracy. Don't add without removing.
- Set targets and **measure progress**
- **Continuously improve** on your plan, and how you execute



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## Learning is combined with doing

Recognize the difference between training and learning.  
Your goal is learning. Find the best ways to achieve the goal.



Focus on  
People &  
Learning



A foreman meets with a crew to discuss how to improve the flow of work using a 5S assessment

### *Gateways to Lean Behaviors*









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## *Gateways to Lean Behaviors – Some possible first steps...*

Study Action Teams	Last Planner System	5S	Value Stream Mapping
 <p>Book club with a purpose</p> <p>As a team or group learns together, they find practical ways to apply the learning to their work</p>	 <p>With good coaching, a team learning how to build respect, trust, and communication. They practice pull, focus on the value stream, achieving milestones, and removing waste</p> 	<p><b>Sort, Straighten, Shine, Standardize, Sustain</b></p> <p>Learn to see and remove waste, discipline to follow through, while creating a safer, more productive workspace</p>  <p>Less than 20 feet</p> 	 <p>Learn to manage by value stream, to see the whole and not just the parts, to recognize how work flows, to break down barriers between departments</p> <p>Teams work together to see the current state, future state and build and implement a transformation plan to get there</p>



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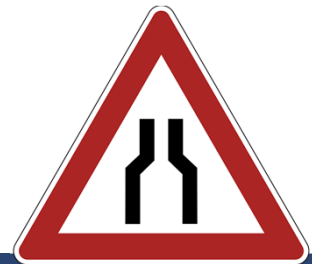
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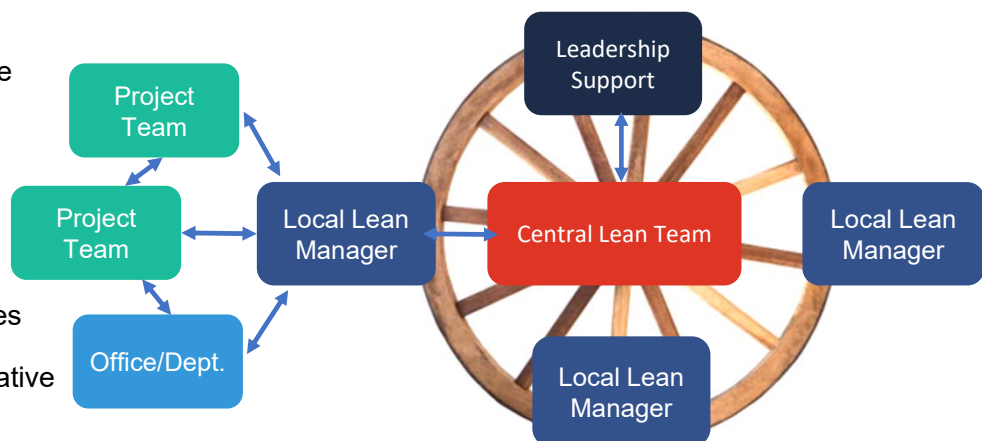
graph TD
    A[IMPLEMENT THE PLAN] --- B[Leadership Participation]
    A --- C[Simple Unified Approach]
    A --- D[Use Lean Thinking]
    A --- E[Focus on People & Learning]
    A --- F[Sufficient Resources and Capacity]
    A --- G[Measure the Right Things]
  
```

- Sufficient  
Resources &  
Capacity



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- Central Lean Team provides structure, tools, and links everyone
- Dedicated local lean managers are close to the people and the work
- Project teams and departments grow champions, who become future lean leaders
- Communication grows between teams and offices and work becomes standardized for collaborative improvement



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Dedicated staff and a collaborative process prevents “reinventing the wheel” and leads to standardization that can be shared across the enterprise.

## LEARN



## IMPROVE



## SHARE



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Measure the  
Right Things

Why do we measure?  
What do we do with the  
information?

Measure Performance  
(KPI)



Measure Behaviors  
(KBI)



To assess progress in real time  
Guide decision making  
Encourage right behavior  
**See – Understand – Act**



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## Measure What?

**Measure Performance**  
(KPI)



**Measure Behaviors**  
(KBI)

Be careful what you measure  
Because that is what you will get



**Example: We set an interim milestone on our roadmap...  
Use the Last Planner System on all our projects in a region**

**What do we measure?**

**Why did we set the milestone?  
How does it help us achieve our vision?**

**Is our goal to have every team “do” the Last Planner System?**

### In your breakout...

Take five minutes and discuss what to measure. Report back with the best measurements and why.



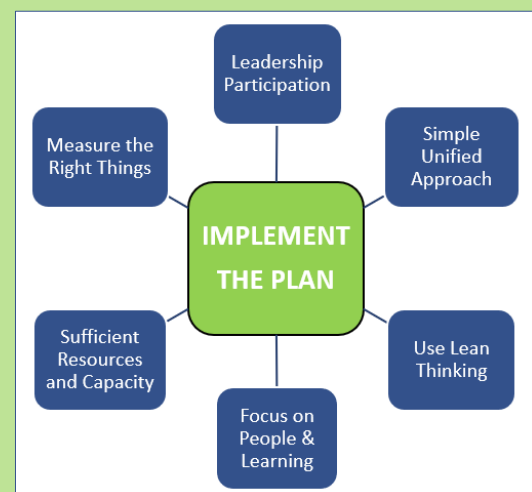
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THE ABCS OF LEAN: TRANSFORMATION THROUGH ACTIONS, BEST PRACTICES AND COACHING

## Implementing the Plan – Keys Takeaways

- Leaders act as change agents
- Keep the purpose simple and compelling.
- Use the same Lean thinking to implement the roadmap that you are trying to build into your organization. You will get much better results.
- Create a common standard for lean that can apply across the enterprise
- Tightly couple learning with doing and learning by doing.
- Get expert help and build capacity in local Lean leaders.
- Never lose sight of your “North Star”. Set milestones that progressively help you achieve your Lean Strategy. Measure to those milestones.



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# Managing & Sustaining your Lean Organization

*...the journey continues*



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## Creating, Managing and Sustaining a Lean Organization

1	Defining Lean <i>...where can we go?</i>	What is a Lean Organization? What kind of an organization do you want to be?
2	Lean Strategy <i>...where are we going?</i>	Framework for how we do business What the organization will do to deliver value to our customers
3	Roadmap <i>...how do we get there?</i>	How we get from our current state to living our lean strategy
4	Implementation <i>...the journey</i>	The strategy and roadmap will likely change over time Continuous learning and improvement
 5	Manage & Sustain <i>...the journey continues</i>	How we keep it going as an ever-improving organization



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## Why do many Lean programs fail?

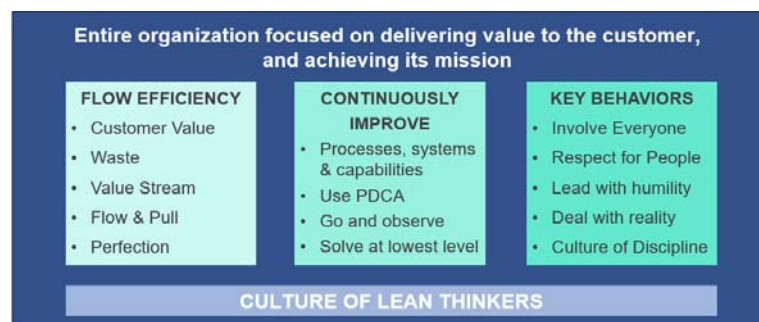
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## What is “sustaining” a Lean Organization?



Like ice melting in a drink, gradually, Lean is no longer an initiative. It is the way you work.

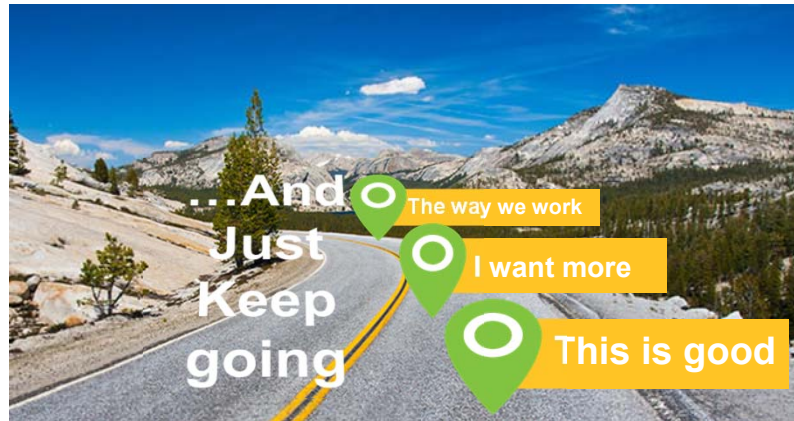


THE ABCS OF LEAN: TRANSFORMATION THROUGH ACTIONS, BEST PRACTICES AND COACHING

## Key to Success – Your journey never ends

It is not how fast you go  
It is that you keep going

And get better and better at  
doing this...



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## Managing & Sustaining

Patiently keep building

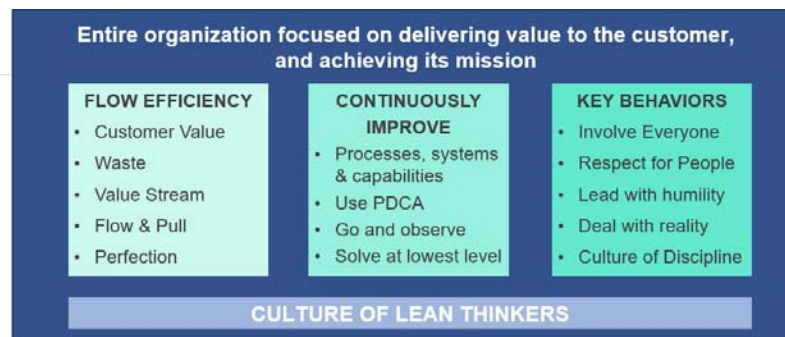
Grow Lean Leadership

Manage by Key Behaviors

Manage to value streams

Develop Lean Thinkers

Continuously improve



1. Develop **People** who apply *Lean thinking* to their daily work
2. Provide a **System** (or process) to support them



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## Managing & Sustaining

Patiently keep building

Grow Lean Leadership

Manage by Key Behaviors

Manage to value streams

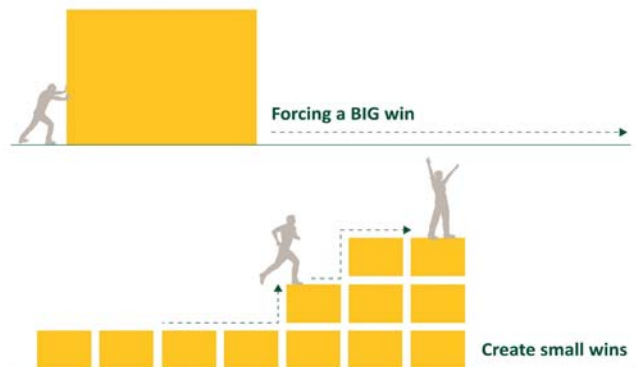
Develop Lean Thinkers

Continuously improve

- Don't try to force a big win.
- Fix one thing at a time.
- Focus on what you can change

Step by step  
patiently build a  
Lean culture

Power of small wins...



With each step you improve.

Manage and Sustain starts  
from the very first step.



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## Managing & Sustaining

Patiently keep building

Grow Lean Leadership

Manage by Key Behaviors

Manage to value streams

Develop Lean Thinkers

Continuously improve

A Lean transformation requires...

**a personal transformation at the  
leadership level about how to think  
about solving problems**

You can't manage what you don't understand  
You can't lead what you don't live  
If you don't live it, it will fail

### Leader Standard Work

- Learn - Be mentored (Get a coach?)
- Mentoring – Learn to be a coach
- Role model lean principles
- Enable problem solving (manage, not do)
- Gemba walks
- Team reflection
- Rapid response to abnormalities
- Strategy deployment

Lean is best learned by doing  
...participate in creating and living the roadmap  
...get involved and understand lean tools  
...be humble, accept that you can improve



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## Managing & Sustaining

- Patiently keep building
- Grow Lean Leadership
- Manage by Key Behaviors
- Manage to value streams
- Develop Lean Thinkers
- Continuously improve

Entire organization focused on delivering value to the customer, and achieving its mission

FLOW EFFICIENCY	CONTINUOUSLY IMPROVE	KEY BEHAVIORS
<ul style="list-style-type: none"> <li>Customer Value</li> <li>Waste</li> <li>Value Stream</li> <li>Flow &amp; Pull</li> <li>Perfection</li> </ul>	<ul style="list-style-type: none"> <li>Processes, systems &amp; capabilities</li> <li>Use PDCA</li> <li>Go and observe</li> <li>Solve at lowest level</li> </ul>	<ul style="list-style-type: none"> <li>Involve Everyone</li> <li>Respect for People</li> <li>Lead with humility</li> <li>Deal with reality</li> <li>Culture of Discipline</li> </ul>

CULTURE OF LEAN THINKERS

Hire the best people you can, train and equip them, and trust them to do the job  
Show appreciation, celebrate success

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## Managing & Sustaining

- Patiently keep building
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CULTURE OF LEAN THINKERS

- Be diligent to follow through on what you say you are going to do
- Instead of relying on bureaucracy and hierarchy.... You have a highly disciplined team that knows the mission and gets it done.

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## Managing & Sustaining

**Patiently keep building**

**Grow Lean Leadership**

**Manage by Key Behaviors**

**Manage to value streams**

**Develop Lean Thinkers**

**Continuously improve**

**Entire organization focused on delivering value to the customer, and achieving its mission**

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**CULTURE OF LEAN THINKERS**

- Replace “hope” with “can” and can with “will”
- Observe and understand reality. Deal in facts.
- Great results come from a series of good decisions, diligently executed


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THE ABCS OF LEAN: TRANSFORMATION THROUGH ACTIONS, BEST PRACTICES AND COACHING

## Shingo Model: Results, Behavior and Guiding Principles

**PRINCIPLES**  
Foundational rules, universal truths that govern the consequences of behavior



**MANAGERS**  
Create and manage culture  
Design systems that influence ideal behavior

**SYSTEMS**  
A collection of tools working together to accomplish an intended outcome

**PEOPLE**  
Operate the business  
The results of an organization depend on the way people behave  
The aggregate of people's behaviors makes up organizational culture

**RESULTS**

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## Managing & Sustaining


- Patiently keep building
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**CULTURE OF LEAN THINKERS**

- The organization is designed to generate value to our customers ...at the lowest cost, with the least waste ...and get paid for it
- Learn how value flows through your organization and then improve it. Do this regularly. All other processes support.



*Mapping the proposal process*

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## Managing & Sustaining

- Patiently keep building
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**Entire organization focused on delivering value to the customer, and achieving its mission**

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**CULTURE OF LEAN THINKERS**



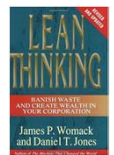
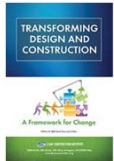
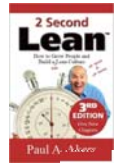
- Management team must be lean thinkers.
- Training and succession plan ensures the culture beyond a single leader.
- The job of everyone is to improve the flow of value

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## LEARN - Resources



### Consultant Training, Coaching and Facilitation



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## Managing & Sustaining

**Patiently keep building**

**Grow Lean Leadership**

**Manage by Key Behaviors**

**Manage to value streams**

**Develop Lean Thinkers**

**Continuously improve**

Entire organization focused on delivering value to the customer, and achieving its mission

### FLOW EFFICIENCY

- Customer Value
- Waste
- Value Stream
- Flow & Pull
- Perfection

### CONTINUOUSLY IMPROVE

- Processes, systems & capabilities
- Use PDCA
- Go and observe
- Solve at lowest level

### KEY BEHAVIORS

- Involve Everyone
- Respect for People
- Lead with humility
- Deal with reality
- Culture of Discipline

CULTURE OF LEAN THINKERS

- Continuous improvement is built into our standard work
- Improve flow efficiency and capabilities



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LEARN BY DOING FROM THOSE WHO DO

## Managing & Sustaining – Key Takeways

- Involved Leadership is required to sustain a culture of Lean thinkers.
- Set new targets for the lean program as you go.
- Never lose sight of your “North Star”. Your competitive edge is the value you deliver and that you can do it better, faster and cheaper.
- Be a learning organization. Everyone is involved in improving flow of value every day. Keep investing in your people because people create value.
- Have a process for not only capturing, but implementing, improvements as standard work.
- Have fun. Celebrate success. Everyone wants fulfillment beyond a paycheck.

Patiently keep building

Grow Lean Leadership

Manage by Key Behaviors

Manage to value streams

Develop Lean Thinkers

Continuously improve



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## Did the course meet your expectations?

### Contact Us

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## Questions?



**Plus:** What produced value during the session?



**Delta:** What could we change to improve the process or outcome?



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