

Leading your Lean transformation

BY TIM MCLEAN

OVER the past couple of years, visiting speakers at lean and operational excellence conferences have emphasised the importance of leadership in ensuring lean success.

I have personally found these talks very frustrating for two reasons. Firstly it is self evident that for any change to occur in a business (lean or otherwise) leadership from the top and alignment through the organisation is essential.

Secondly, many of these speakers have railed about the lack of leadership at the top, but have provided few practical suggestions about what leaders need to do in order to successfully lead a lean transformation.

At the strategic level, Hoshin Kanri or Policy Deployment has been introduced to ensure that there is alignment on strategy through and across the organisational structure and to provide two way feedback on strategy.

But the policy deployment process, while important, does not ensure that leaders introduce the right behaviours and take the right actions every day to ensure that their improvement efforts are successful and sustained.

Implementing Lean

As most readers will know, the essence of the lean approach is eliminating waste through reducing the lead time in a process.

As a result, the pace of the business increases and more decision making needs to be made on the shop floor to keep up. Inventory buffers are removed and quality or maintenance

problems previously hidden by these buffers quickly come to the surface and need to be addressed.

All this adds up to a dramatic change in the role of front line leaders as they move from a traditional top down approach to supporting their teams to perform in a lean environment.

Front line leaders need to be equipped to deal with the new operating environment – expecting problems to occur and knowing how to confidently manage these problems.

Support from middle and senior management is helpful if delivered in a consistent agreed way. Effective support sees managers setting realistic expectations for consistent improvements.

Frontline leaders also need to have realistic expectations of themselves during a lean transformation.

As people we can be very harsh on ourselves and the front line leader's desire for perfection needs to be managed to a realistic level.

LDM – a system for front line managers

Lean Daily Management (LDM) brings together a range of foundation lean tools and processes to create a daily management system for front line leaders and line managers. The key elements of LDM are:

1. Visual management including daily measurement of plant and work cell level KPIs.
2. Structured daily problem solving using the TXM "Solving Problems Every Day" methodology designed to find root causes and address problems.
3. Simple, quick "stand up"



Lean Daily Management brings together a range of lean tools and processes to create a daily management system.

meetings in the workplace to review KPIs, take action to resolve problems highlighted by the KPIs and ensure that improvement actions are completed and front line teams are getting the support they need.

4. Management standard work where managers and supervisors have standard routines that ensure that they address problems and observe the factory floor every day.

Lean daily management brings these together in to a system that can customised for each management role.

In particular it provides a set of behaviours and routines that managers can follow in order to support and reinforce the lean implementation efforts of their teams.

But management work is not 'standard'?

The most controversial element of the lean daily management approach is leader standard

work. In reality there are always unexpected problems or activities that a manager will need to engage in.

Therefore we do not attempt to structure a manager's entire day. Instead we provide checklists of tasks managers should do every day.

There are also regular commitments such as the stand up meetings which occur every day at fixed times for a fixed duration (not open ended) and are mandatory.

Leader standard work does not structure a manager or supervisor's entire day, but it ensures that managers get out of their office regularly, notice how their section is performing and get involved in problem solving.

Select simple KPIs

By measuring performance daily at the work cell (or department) and plant level, leaders can find and respond to problems quickly rather than waiting for the end



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of the month to find out what is going wrong. LDM encourages use of simple KPIs that can be measured directly by observation in the factory, rather than using complex ratios and measures that need to be worked out by a computer at the end of every month.

For example, with one of our clients in China, we have encouraged them to drop complex, ratio-based calculations of work in progress and instead simply count the number of WIP pallets at each process every day.

Why LDM is needed to sustain Lean

Lean represents a dramatic change to how a business operates.

It involves major changes to the roles of front line leaders and requires these leaders to organise their day differently and respond differently to their factory floor.

It is also very important for front line team members to see



Lean Daily Management encourages use of simple KPIs.

their leaders engaged in the process of change and providing support to make the change sustainable.

Lean daily management is a structured and time effective way for leadership teams or individuals to show support for the

front line team and reinforce lean.

It also provides front line leaders with a simple set of guidelines on how to manage their section in a lean environment.

So, if you are concerned about

what to do the next time an overseas conference speaker lectures you about lean leadership, LDM may be the step you need to take.

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