

The devolvement of lean

Do not be a lean imposter. Adopt the right techniques that ensure improved profitability and customer satisfaction, and foster employee engagement.

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ean manufacturing was coined by Jim Krafcik as documented in the landmark book, *The Machine that Changed theWorld*. That machine was the Toyota Production System (TPS) and lean manufacturing was the generic term used to describe it. However, from the time it was coined, to today and continuing onward, it has increasingly devolved from its intended model, the TPS. And many lean initiatives are failing because they have strayed from this sound and proven model.

COVER STORY

Why change a winning hand?

Literature is filled with thousands of articles addressing this question but the answer is not very complicated. The TPS is a hard model to duplicate. Not intellectually hard, and that is some of its inherent danger; on paper it looks rather simple. But it takes a very large dose of four qualities that are in increasingly shorter supply. They are: hard work, discipline, introspection, and a long-term perspective. I find a few firms that are really willing to commit to these four qualities. Rather than take on these four challenges, like a river flowing to the gulf, they take the path of least resistance. Even so, as long as they utilise some of the basic lean toolswith a less than fully committed approach—they can get some rather impressive, but decidedly short-term, gains. Using this partial approach, the real benefits of sustained long-term gains elude them. Many practitioners have given a name to these partial efforts. One colleague of mine called it fake lean, yet another called it mean lean but our term is pseudo-lean.

How has lean morphed

The lean we teach at our firm, Quality Consultants, is TPS-lean, based totally on the Toyota Production System aimed at creating a culture of continuous improvement and respect for people.

Other versions, rather than following the TPS model focused on creating a culture of continuous improvement through waste removal, are driven by an overarching desire to improve value. Worse yet, the desire to have a culture of respect for people has morphed into a focus on technical issues. This is the big devolution. From the very beginning of the lean manufacturing movement, the emphasis on people and people development was first reduced, then minimised, and finally it has been virtually lost as firms have morphed away from TPS-lean. Managing Toyota's 'respect for people concept' is the big gap between pseudo-lean and TPS-lean. Not only have we done extensive research on this concept, we recognise the Toyota concept of respect for people goes well beyond what we call respect; it is analogous to employee engagement. And in TPS-lean, employee engagement is not ignored, it is not minimised, and it certainly is not some 'oh-by-the-way' thing. Employee engagement is the heart and soul, as well as the starting point, of TPS-lean.

How do we recognise these lean imposters?

When you talk to those attempting to implement lean, you will see they all preach similar overarching objectives. They all say they are working to improve their competitive position to become a better money-making machine; a more secure workplace for their employees; and the supplier of choice to their customers. However,

you will find this is true only of those working toward a TPSlean manufacturing system.

When you get past the lip service and dig deeply into many of these other attempts at a lean transformation, you find they are intently focused, only and intently, on the first item, becoming a better moneymaking machine. The customer is seen as the enemy trying to get more features while working to reduce margins,

all to their benefit. And people, as an item of importance, have devolved to nothing more than an incremental expense to be minimised. These are the pseudo-lean systems.

These conceptual variants are easy enough to find if you look for them. There are also basic methods you can see that have morphed from the original Toyota concept. One that normally stands out is the way they train employees. In the TPS training system, managers, engineers, operators, supervisors—all people—are taught using the same hands-on principles focused on effectiveness of behavioural training. They are taught individually by an expert; in real time; at the gemba, and reality tested to assure competence. In pseudo-lean, the typical training is deathby-PowerPoint; done at the convenience of the trainer, by a large group in a classroom, and often with no more than a written test to assure proper skills transfer. It is anything but hands-on and rarely is it effective in skill augmentation. Can you imagine teaching someone how to hit a golf ball, run a CNC machine, or facilitate a meeting, in this manner?

Like I say, these efforts at pseudo-lean are taking the path of least resistance and devolving the original lean manufacturing model. They are going through all the motions and can—as long as you have a certain level of moral flexibility check off all the boxes.

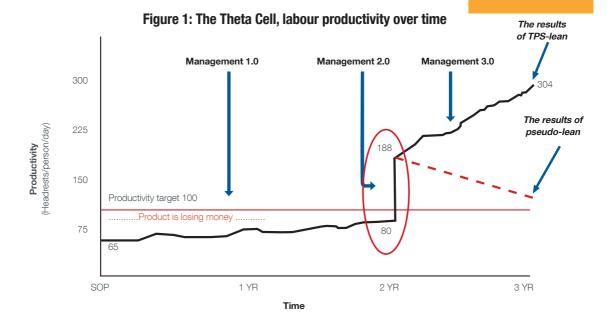
How do TPS-lean results differ from pseudolean results?

Figure 1 shows the change in productivity, over time, for The Theta Cell that produces headrests. The key to its profitability was the metric of labour productivity; targeting to exceed 100 headrests per person per day (h/p/d). At the start of production, the plant was using Management System 1.0 (results management). After numerous efforts and even two Six Sigma projects by the home office support staff, they gradually improved from 65 h/p/d to 80 h/p/d.

They sought our assistance. Our first effort was focused on management and engineering training. Going to the floor with the key managers and engineers, we taught them how to perform time studies, spaghetti diagrams, as well as observe the workflow, and people activities. After eight hours of teaching/learning/study, we had enough information. We retired to the conference room and began a cell redesign. By 2 am we had found a better line balance, revised the standard work and modified the cell layout. We then met the day shift at 7 am, trained them on the new changes and commenced production. By the end of the

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first day, we were producing 158 h/p/d. We had successfully completed what many would call a kaizen project or a kaizen blitz, or a Six Sigma project. We just called it a kaizen. To say everyone was happy would be a gross understatement.

However, next we implemented two tactics that helps separate TPS-lean from pseudo-lean. We taught the management team how to sustain these gains and we also taught the operators how to execute individual kaizens. By week's end, the cell was producing 188 h/p/d. With the support of the management team, there were dozens of operator-initiated and executed kaizens. After 10 months, when the new models were rolled out, this cell had attained 304 h/p/d. By the end of this period, this cell had vaulted by Management System 2.0 (process management) and was beginning to employ Management 3.0 (integrated management) techniques.

If you employ some type of pseudo-lean you will likely get the gains shown in the oval and will be able to make some remarkable gains. That is the good news and that is where most people stop. Unfortunately, without the sustaining portion and the engagement of the workforce, entropy will take its course and your pseudo-lean system will be fully exposed in the fullness of time. But when you unleash the entire TPS and especially focus on the long-term gains and pay particular attention to employee engagement (TPS calls it respect for people), you can get the whole enchilada.

That graphic shows the difference between the lean players and the lean imposters.

Conclusion

Lean as it is often practised, has devolved from its original concept as a replicate of the vaunted Toyota Production System to a variety of lesser models. That is the bad news. The good news is that you need not follow these imposters. Keep your eye on the original TPS and its traits, couple that with a good dose of hard work, discipline, and introspection and be guided by a long-term perspective and you can gain the monstrous benefits of the real TPS, just as The Theta Cell accomplished. And, do not forget to lead with, and emphasise, employee engagement at every step along the way and you will have a strong, growing and evolving lean manufacturing system.

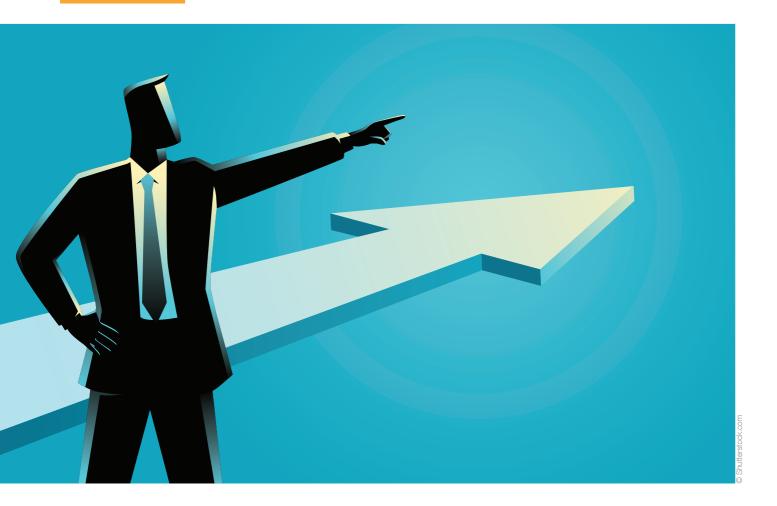


ABOUT THE AUTHOR

Lonnie Wilson is founder, Quality Consultants. He is author of Sustaining Workforce Engagement: How To Ensure Your Employees Are Healthy, Happy, And Productive. *Winston Churchill once said, "Optimists see opportunities in every difficulty." There is a definite connection between optimistic leaders and business success.*

LEADERSHIP

◆ CHRIS GRIFFITHS, AUTHOR, THE CREATIVE THINKING HANDBOOK

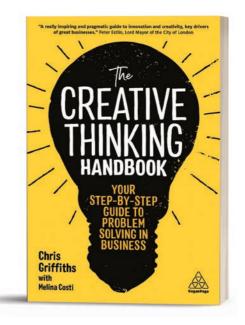


Innovate with optimism

s the glass half full, or half empty? This age-old saying is a classic way of determining the natural outlook of a person. From a factual perspective, the glass is at 50 per cent liquid capacity, but people are still perfectly
capable of perceiving this in different ways. At its heart, this saying suggests that the potential and opportunity we see in the world is specific to us. Optimists sometimes get a bad reputation—their natural positivity and 'cando' attitude are occasionally seen as naive or unrealistic. Often, cynics are even threatened by optimists—their drive and self-belief can seem daunting, particularly when relating to change. The truth is, the energy afforded by an optimistic viewpoint perfectly lends itself to an innovative mindset. There is great power in optimism, and that is something anyone can harness. With the right adjustment in attitude, even a natural pessimist can use a positive outlook to their advantage in business.

In leadership, positivity could not be more important. Countless studies have shown optimism to be a valued quality in leaders; perhaps unsurprisingly, people prefer working for someone who is positive.¹ Psychology suggests that leaders tend to have one of two perspectives-a growth mindset or a fixed mindset.² Those with a fixed mindset believe that people's foundational qualities, like personality or intelligence, are set in stone. They do not believe that people can really change, whereas those with a growth mindset feel quite differently. Belief in a person's ability to grow is essential to getting the most out of employees; if you see an employee's qualities as unchangeable, then you inadvertently suggest that the experience of working for your business will leave them no more enriched or knowledgeable than when they first joined.

Those with a fixed mindset are generally more pessimistic and far more likely to be guilty of 'status quo bias'³—this is the outlook associated with people who are reluctant to rock the boat. They accept things as they are, regardless of whether the way things are is actually helpful to their company. It makes sense that those who expect the worst are more wary of embracing change; they fear mistakes and use worst-case 'what if' questions to prevent any new, innovative ideas ever taking off. By very definition, innovation requires the risk-taking that coincides with trying something that has not been done before. Embracing optimism will energise you so that you can take the right risks to bring about progress. Being brave with good ideas does not have to mean being foolhardy;



simply ensure decisions are made in the right way and then execute them accordingly.

Intel co-founder, Robert Noyce, rightly said, "Optimism is an essential ingredient of innovation. How else can the individual welcome change over security, adventure over staying in safe places?⁷⁴ Optimists are the pioneering adventurers of the workspace. Whilst the corporate dinosaurs cling desperately to the old ideas situated in their comfort zones, optimists are on the hunt for fresh ideas and new methods of improvement. When mistakes inevitably happen, they never wallow, but get back on the horse and try again. They see the potential that is there, rather than what is missing—and that is the true advantage of being a 'glass half full' business leader.^M

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