Organizational Excellence: Creating an Employee Driven Culture
What we’ll cover:

Fundamentals of Lean

What is our Culture?

• What is our Current State?
• What do we want our Future State to be (or do we?)?
• How do we create our Future State?
Lean is...

- everyone’s relentless drive
- to remove waste
- and increase customer service.
Fundamentals of Lean Thinking People System (TPS)

True North

Continuous Improvement

Respect For people

Challenge
Kaizen
Genchi Genbutsu
Respect
Teamwork

Learn to See
The 8th Habit (Stephen Covey)  
(find our voice and inspire others to find theirs)

A poll of 23,000+ employees found:
- 37% said they have a clear understanding of what their organization is trying to achieve and why.
- One in five was enthusiastic about their team’s and their organization’s goals.
- One in five said they had a clear “line of sight” between their tasks and their team’s and organization’s goals.
- Only 15% felt that their organization fully enables them to execute key goals.
- Only 20% fully trusted the organization they work for.
People really want to do a good job

- People have lots of ideas on how to make things better and would love it if management listened and used their ideas.
- They are frustrated with how things are done.
- They see wastes that aren’t being eliminated.
- They know how to make their job easier – “work smarter, not harder”.
- They take pride in their work.
- They want to see their organization be very successful (continued employment opportunities).
Does this transfer ownership?

Answer: Telling people what to do or making a presentation does not transfer ownership to the attendees.
So, how do we know what our Culture (‘the way we do things around here”) really is?

See and Listen
To change our culture…
What is our Current State?

How do our leaders* act/behave – *what are our current ingrained habits?*

- How do we solve problems?
- How are employees treated?
- How are ideas generated and handled?
- Etc.

* A leader is someone who has people reporting to them
LEAN is about providing VALUE to the CUSTOMER and SPEED

**Types of Waste**

- Transportation
- Motion
- Inventory
- Over Processing
- Over Producing
- Waiting
- Defects & Rework & Delays
- Underutilized People – The Greatest Waste of All!

All employees must be able to identify waste and know how to remove it.

Think: **TIMWOOD**
PDCA
Problem Solving Process for Continuous Improvement

- **Plan**: Clarify the problem, Break down the problem, Set Improvement Targets, Root Cause Analysis, Develop Countermeasures

- **Do**: Put the Countermeasures in place (Trystorm)

- **Check**: Monitor both the Results and the Process

- **Act**: Standardize Successful Processes – Lock in and Hold the Gains

Note: Ensure there is a good measurement system

All employees must be able to know and use a structured problem solving process.
The Lean Leader

1. Has a high respect for people:
   a) Doesn’t blame people – virtually everyone wants to do a good job
   a) Takes responsibility for the systems issues
   b) Focuses on the process
   c) Treats everyone with dignity and respect - ensures clear responsibility is assigned for every process and problem.
   d) Shows confidence in her/his people

2. Sets the example for others to follow – “on stage at all times” - high humility and high will
The Lean Leader

3. Has high honesty & integrity and develops high **TRUST**

4. Has taken Lean training and is competent to use the tools, including training others

5. Is an active coach and visits the work areas (GEMBA = actual work area) – reinforces the need to “learn to see”, high visibility to staff

6. A continuous learner

7. Is a servant leader

   a) Realizes the job is to train and help all staff to identify waste, improve, & solve problems
Purpose

- Do all of our employees know what is their purpose = why are we here?
- State of Washington Lean government journey:
  
  “By focusing our work on what Washingtonians value, we deliver the right products and services to the right place at the right time, every time.”

LIPS Keynote – September 25, 2014
The Foundation for Improvement is Built on Facts/Data

“In God We Trust” everybody else, please bring data.

Good decisions are based on Data.
What is the gap we want to close?

- Current State/Condition – to know how we are currently doing that’s important to our customers with real metrics.
- Future State/Condition – this is our challenge goal - where do we want to get to?
- Future State minus Current State = the gap we need to close with employee improvements/ideas.
The Coaching Hierarchy

Coaching by Correcting:
Correct/Direct
Tell/Show
Advise/Suggest
Questions driving Investigation

Coaching by Developing:
Questions to Raise Awareness
Questions to Prompt the Coachee to Question
Questions to Prompt Thinking
Increase Self-Development

Coach does the Thinking
Coachee does the Thinking

Mike Rother

LIPS Keynote – September 25, 2014
Why is it so difficult for us to coach others on their problem solving thinking?

It’s difficult to overcome our ingrained habits, yet we need to move to a coaching model.

Is there an active coaching model in your organization?
The Core of Questioning...

What do you actually KNOW?
→ How do you know it?

What do you NEED TO KNOW?
→ How will you discover it?
Socratic Questioning

- Yes/no questions are not good as they signal to the coachee what you are thinking about and minimizes learning
- Look at their thinking, not the box you put them in
- What do you know about…?
- Why do you think…?
- What data do you have?
What is a Kata?

It is the deliberate practice of a new behavior such that it becomes an ingrained habit.
The Five Questions

1) What is the Target Condition?
2) What is the Actual Condition now?
   ---------(Turn Card Over)------------------------>
3) What Obstacles do you think are preventing you from reaching the target condition?
   Which *one* are you addressing now?
4) What is your Next Step? (next PDCA / experiment) What do you expect?
5) When can we go and see what we Have Learned from taking that step?

*You’ll often work on the same obstacle for several PDCA cycles*
Mike Rother – *Toyota Kata*

Reflect on the Last Step Taken

Because you don’t actually know what the result of a step will be!

1) What was your **Last Step**?

2) What did you **Expect**?

3) What **Actually Happened**?

4) What did you **Learn**?

--------------------------->

*Return*
Employee Engaged Improvements

For each step:
- Define what you expect to happen
- Observe what actually happens
- Reflect and adjust if necessary

Mike Rother – Toyota Kata
Daily Kaizen (Small Ideas)

Small Ideas create a more flexible organization that can adapt and respond to changes much more rapidly.

Fostering this environment increases employee trust, respect, participation, engagement and communications.

Example: Paul Akers’ book “2 second Lean”
Go after Small Ideas (Daily Kaizen)

- Small Ideas are where most of the improvement, innovation, and action resides – and they are off the Leadership radar screen (“Learn to See”)

- Small Ideas are much easier to implement:
  - Less resistance
  - Lower risk – better for learning
  - Easier review, acceptance, and getting them done
The most important form of Recognition

- To initiate an idea, to then own it, and to be a large part in implementing it – the fact that the idea is used is something the employee can point to and feel good about.
- Recognition is more powerful than monetary rewards.
- Positive feedback should outweigh negative feedback by 4:1.
The Supervisor’s Role

1. To create an environment that encourages Ideas.

2. To help employees develop their knowledge and improve their problem solving skills, in order to increase the quality and impact of their ideas (8 wastes, PDCA)

3. To champion ideas and look for larger possible implications in them.

Robinson & Schroeder, *Ideas Are Free*
Criteria for Qualifying Ideas

1. Safety – this is paramount
2. Quality – can’t be compromised and should be enhanced
3. Simplicity – the simpler, the better and the easier to standardize
4. Speed – it’s a faster way

Paul Akers, FastCap
Lean Idea Example

Lean Idea form in use at Virginia Mason hospital in Washington.

My Everyday Lean Idea

My Name: Nancy Boort - Hill
Where I Work: Hematology/Immunology

Date: 8/17/2006

When should I write down my Ideas?
1. When I see a mistake being made in my work area
2. When the problem happens
3. When something you do every day makes you think there is a better way to get the job done
4. When you see ways to make Virginia Mason faster for patients in your work area
5. When you see ways to make Virginia Mason better for you and your work team

Defects
- Flows on different people looking for same flow (scramble)
- Flows filled in wrong mo's file section
- Problems it causes: No flows for mo
- Buys needs to initial, read, & fill out order; many people spend time finding flows

Waste
- Overproduction
- In-process inventory
- Defects
- Transportation
- Inventory
- Motion
- Processing
- Time

How can I use this tool?
1. Complete an Everyday Lean idea and get feedback from your team member(s) if the idea will impact other processes. Who knows? Their input might make your idea better!
2. Try your Everyday Lean idea. Implement it if logical and then pick an idea coach to review how it went (see back). This could be a teammate or your supervisor.
3. Don't be discouraged if an idea doesn't work. Many times, several ideas are needed to find the right solution.

2. Here's a description of my idea

Make flow chart (laminated) & place flows hide for reception. (comments - keep in file room) (see attached) This provides a quick flow to follow which most staff learn by trial & error over many months of searching.

3. Here's how I tested my idea

Make flow chart/flow diagram for support staff to use. Disclaimer put in flow file room entitled: its support staff meetings.

4. Here's the effect from trying the idea

New staff members now have a tool depicting where flows could be so more flows found. Also used as a reference for new/old staff over flow making.
## King County (Seattle) FISK Form

(Frontline Improvement by Small Kaizen)

### F.I.S.K. FORM

**TRACK & TEST: Section #2**

<table>
<thead>
<tr>
<th>Idea</th>
<th>Pro</th>
<th>Che</th>
</tr>
</thead>
</table>

**RESULTS: Section #3**

- Measureable results of my countermeasure:  
  - [ ] Fixed the problem
  - [ ] Back to the drawing board

- My countermeasure should be spread to:  
  - [ ] My work group
  - [ ] My department

- Standardization: (What steps will be taken to keep the new standard in place?)

**Approval to spread:**

<table>
<thead>
<tr>
<th>Approval Date</th>
<th>Supervisor Signature</th>
<th>Program Manager Signature</th>
<th>Date</th>
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</thead>
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<tr>
<th>Date</th>
<th>Department Director Signature</th>
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Date submitted:
Ideas Posted for Weekly Review
Posted Ideas Status

Mark Graban, KaiNexus
What’s Possible…

Standard Work must incorporate the ideas for consistency and “holding the gains.”

Mark Graban, KaiNexus
Caution!!!!

Do not proceed with an Dynamic Idea Generation (DIG) approach yet – more foundation needs to be put in place first!
In Conclusion…

- Using Lean tools alone will create gains
- Shifting the culture (behaviors=>habits[Katas]) will lead to much greater gains
- Integrating employee daily Kaizen/ideas will maximize gains
- What does your Lean journey look like?
Questions?