



Understanding Lean Transformation

**Instructor:
Karen Gaudet**

Who is LEI?

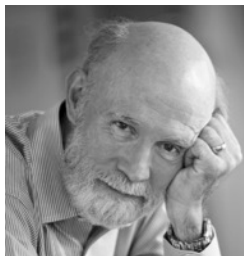


Lean Enterprise Institute
lean.org

Mission:

*Make things better through
Lean Thinking and Practice*

Founded in 1997 by
Dr. James Womack.
Non-profit education and
research institute based
in Cambridge, MA.



Education

- Public Workshops
- Online Workshops
- On-Site Training
- Co-Learning Partnership
- Extensive list of Faculty and Associates

Website lean.org

- Over 250,000 members
- Free webinars
- In-depth case studies

Learning Materials



Summits, Speaking Engagements and Community Gatherings

Fostering Lean Throughout the World

- Lean Global Network
- Healthcare Value Network
- Public Services Value Network



Who are you?

Name, Company, Role

What problem(s) are you responsible for, related to the value your company provides to its customers?

Why are you here? What makes you interested in a lean transformation?

Introduction



*Karen S Gaudet : Director Education
“make things better through lean thinking
and practice”*

Responsibilities include.....

*Leading and supporting the work within LEI in providing Educational
Experiences for our customers.*





Objectives

By the end of the learning session

“Understanding the Lean Transformation Framework (LTF)”
you will be able to:

Identify and describe each of the five dimensions of a Lean Transformation

Reflect upon your own situation....identify next best steps to take forward

Prepare a matrix that represents how the LTF may apply in your role / organization



Your Objectives

“Understanding the Lean Transformation Framework (LTF)”

How will you define success for yourself,
from spending this time?



Agenda

Welcome

Overview of the Lean Transformation Framework

Purpose

Work

Capability

Management System and Behaviours

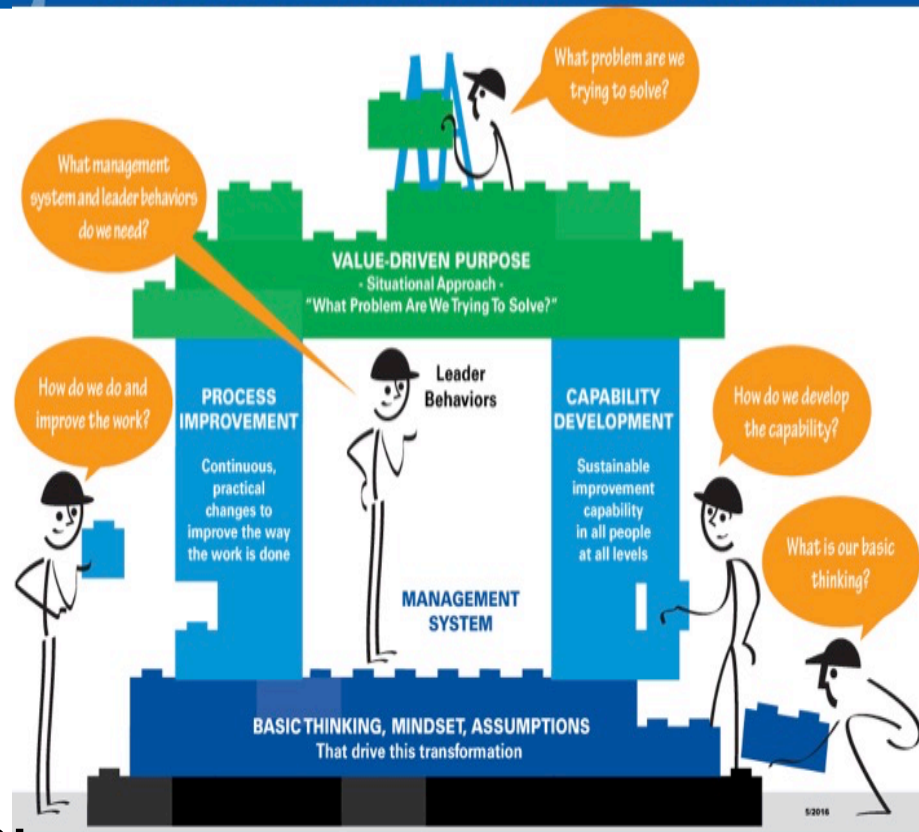
Basic Thinking

Simulation

Case Study

Q&A

The Lean Transformation Framework



Today's purpose:

To establish a clear point of view, situational to each organization, and relationship with each of the five dimensions that exist within a Lean Transformation.



What is Lean Transformation?

Enterprise transformation is the process of an organization shifting its “business” model to a desired future state.

A lean transformation requires learning a new way of thinking and acting...



Lean Transformation

Enterprise transformation is the process of an organization shifting its “business” model to a desired future state.

A lean transformation requires learning a new way of thinking and acting...

characterized not by implementing a series of steps or solutions but addressing key questions of purpose, process and people.

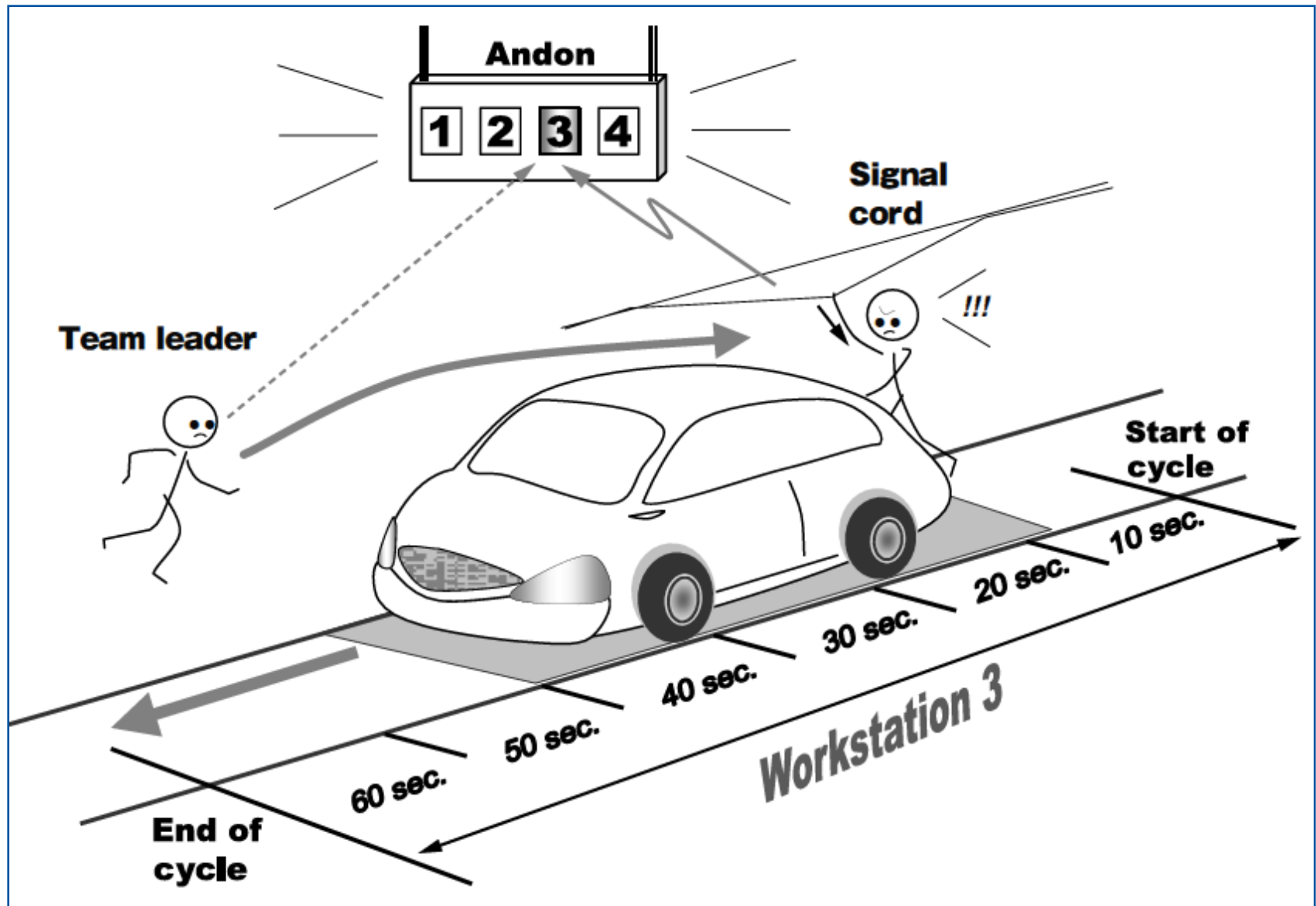


Lean Transformation



Lean Enterprise Institute

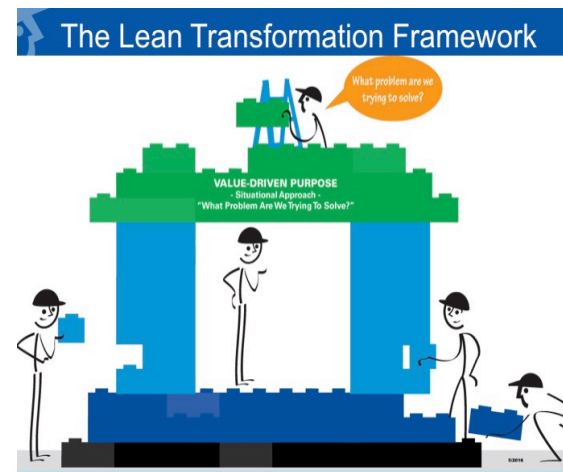
Small Group Exercise



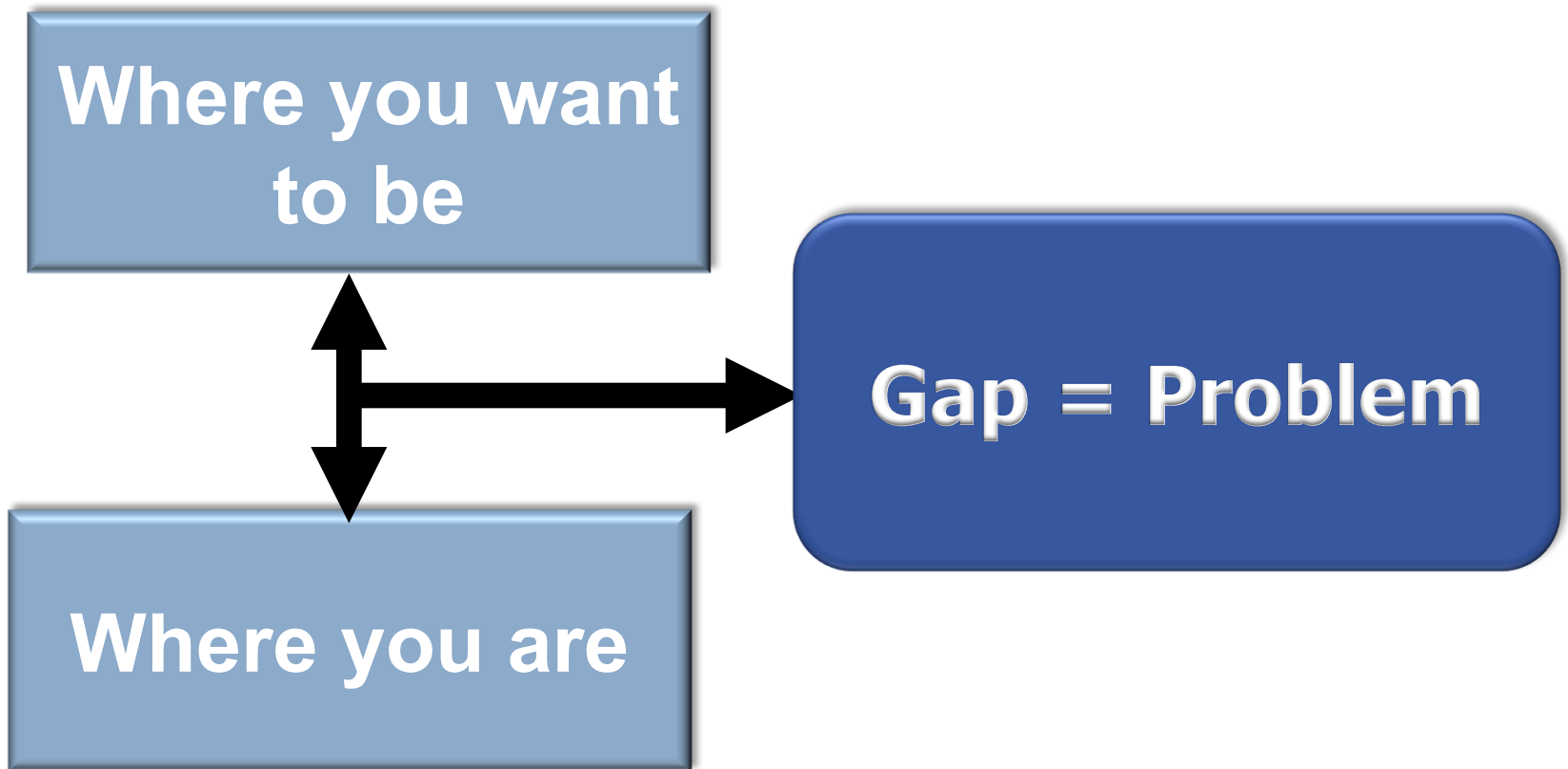
Transformation Question #1

What is our purpose, what value to create or what situational problem are we trying to solve?

- Have you made the purpose or mission clear to everyone? Does everyone know their value to create?
- Does each person know their specific, situational problem to solve?



What is a Problem?



What are the characteristics of a well defined problem?

What Problem are We Trying to Solve?

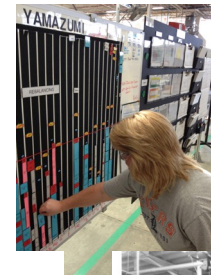
Okay, so that's where we need to go...



***"Which way to
True North?"***

What's Your “Problem to Solve...?”

- “Catch up with Detroit in three years...”
- “Create production flow to answer limitless demand...”
- “Provide variety to the motoring public...”
- “Create flow while providing variety...”
- “Reduce lead time from 48 days to 10 days...”
- “Fewer out-of-stocks with less wait time...”
- “Reduce ‘ticket time’ by 6 minutes...”
- “Take ½ second out of my 17 second cycle time...”





What's Your “Problem to Solve...”?

What are the challenges to clearly defining the problem?

The Enterprise Level?

Functional Level?

Transformation Question #1

Key learning and understanding ...

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- Does everyone know their value to create?
- Does each person know their specific, situational problem to solve?



Mr. P's Toy Company



Organization

What is the current state?

What is the target state?

What are the next actions?

Functional

What is the current state?

What is the target state?

What are the next actions?

Transformation Questions	What is your current situation?	What is an ideal "lean" condition?	What is your specific target condition to achieve in the next year?	What are your next steps?	
1. Purpose - What is the purpose, what value is being provided, or what problem are they trying to solve?					
2. Process – How is the value-creating and all work being defined and continually improved?					
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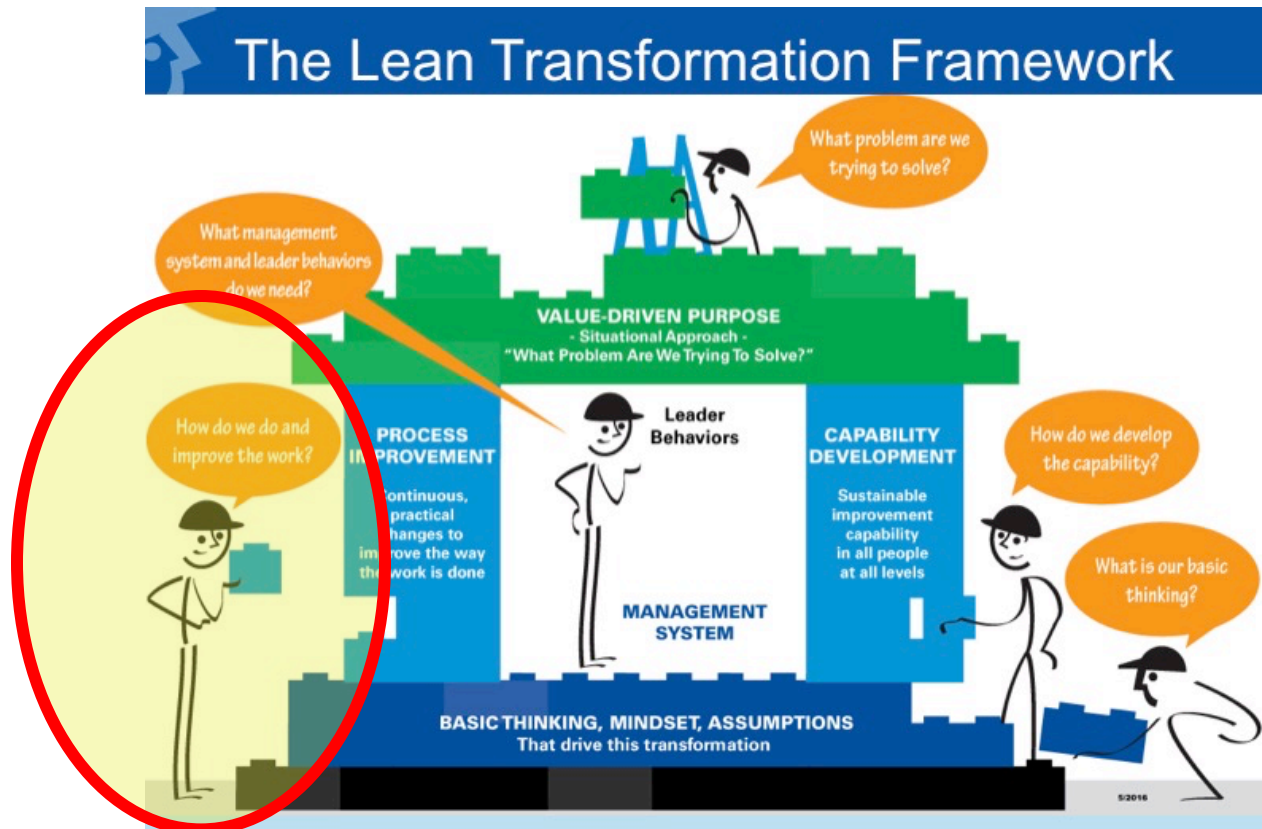


Your Turn

Transformation Question #2

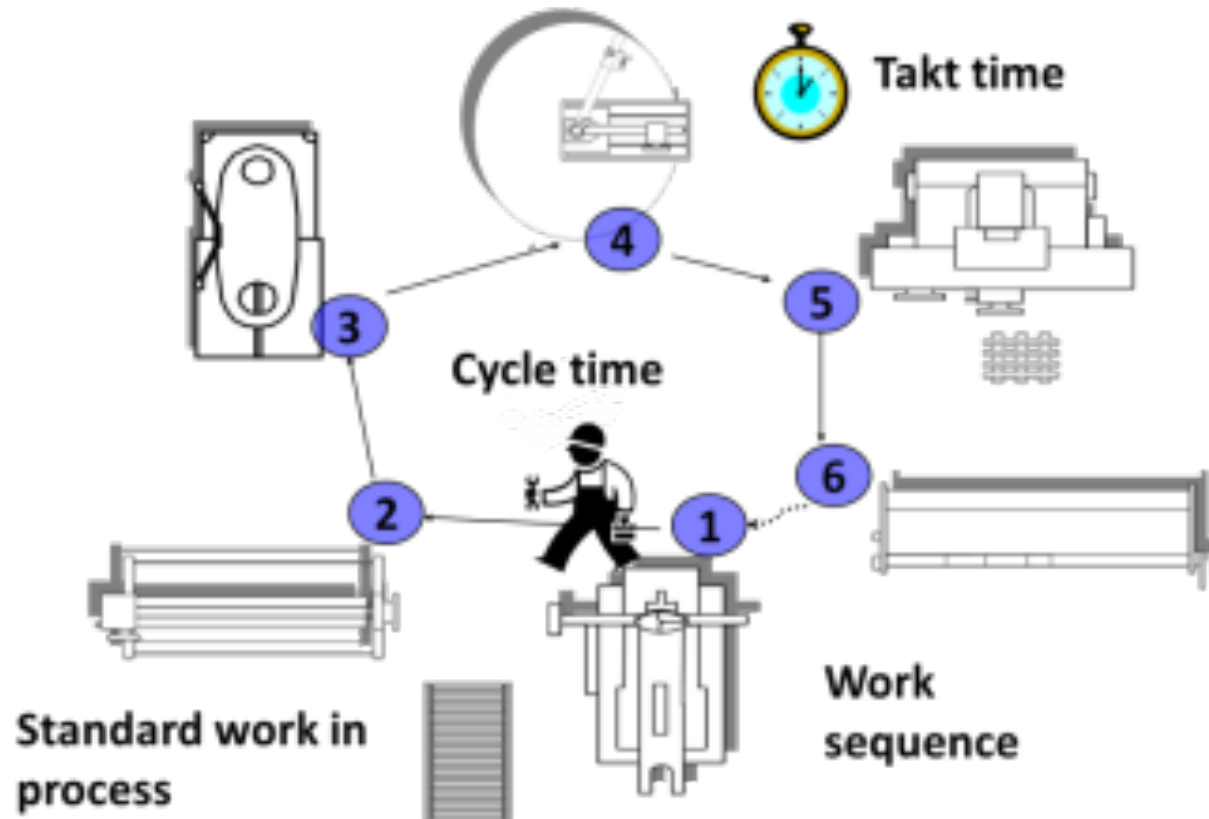
2. How are we improving the actual work?

- Have you defined the work to be done? Is it being improved? How, by what means, to what end?



Lean Tools and Techniques

Standardized Work specifies precisely the *work to be done...*





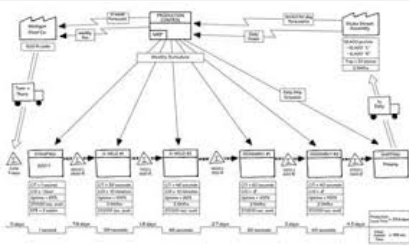
Design of Work & Improvement Process



Lean Enterprise Institute

Process Improvement at ALL Levels

Macro Enterprise System Level



Value Stream Level

Factory, Hospital, Office, Department Level

Micro Level of Each Individual Job

The 7 Wastes

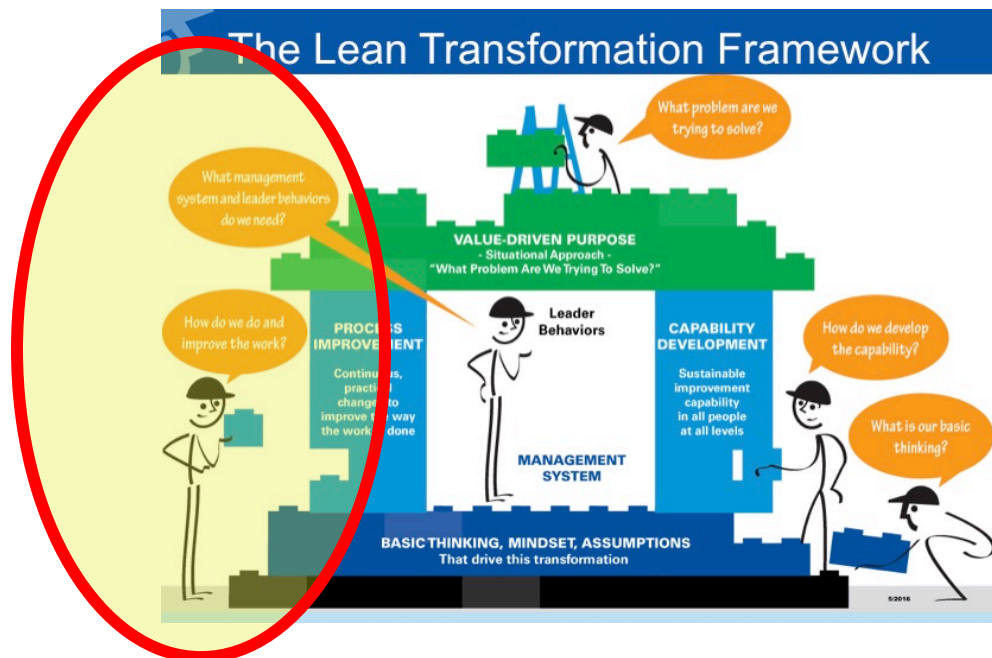


Transformation Question #2

Key learning and understanding around...

2. How are we improving the actual work?

Have you defined the work to be done? Is it being improved? How, by what means, to what end?



Mr. P's Toy Company Dimension #2

As a team at the table improve the work of producing one Toy.



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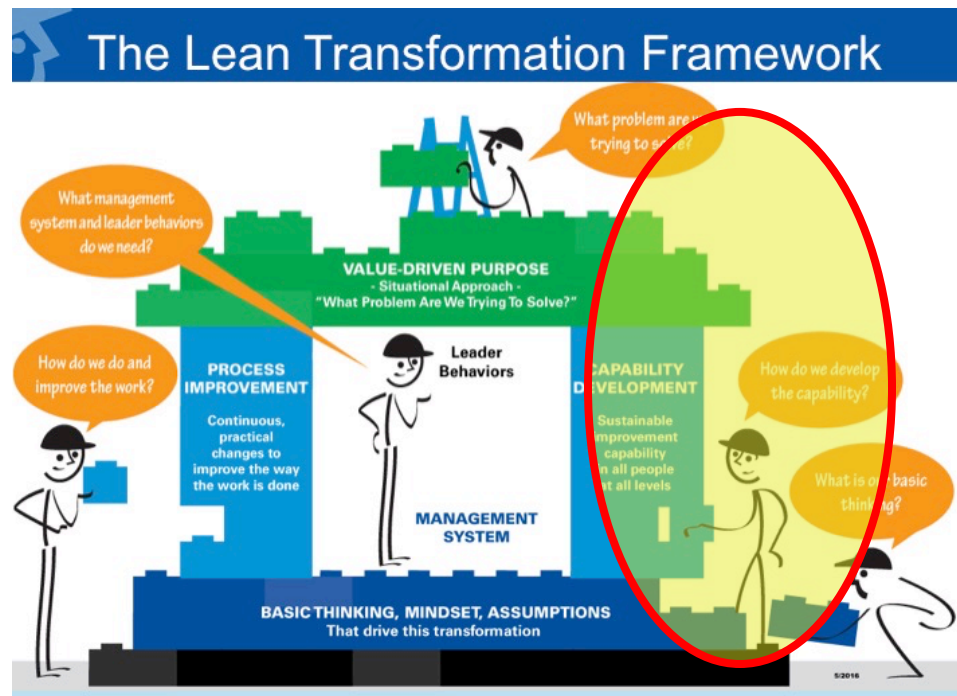


Your Turn

Transformation Question #3

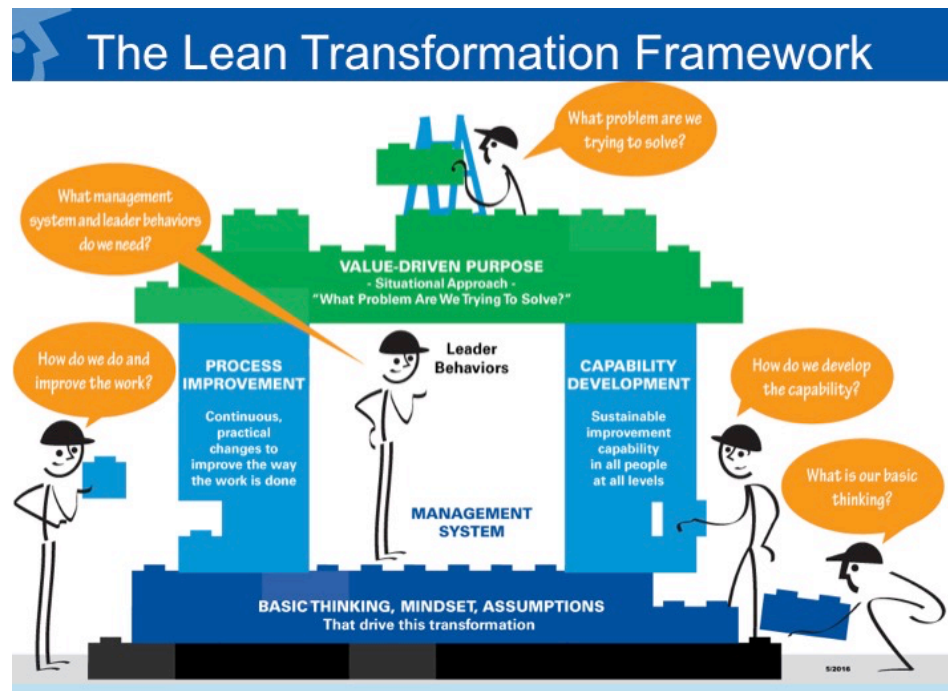
3. How are we developing capability?

Do you have the necessary capabilities? Have you defined them? What is your approach to capability building? How are you developing people?



All Team Members should be improving their job every day

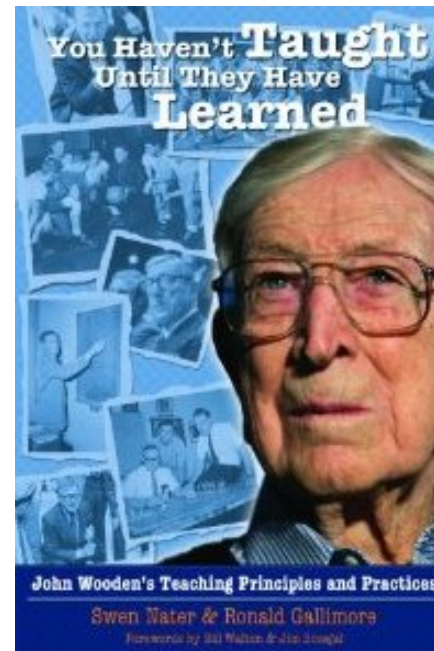
Continuous improvement requires continuous capability development



How are we developing capability?

**To be successful, line / all management
must take the responsibility to
develop their people...or it doesn't work**

*“We are all teachers
all the time”*



John Wooden

– Greatest U.S. Coach of The 20th Century

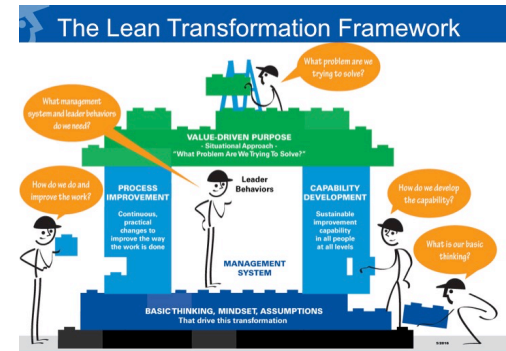
Capability Development through Problem Solving

Companies focus on solving big problems, but struggle to **tackle daily problem solving**

Technique for daily problem solving is different – **velocity must be greater**

Solve the problem that is in front of you. Don't make lists!

8 of 10 problems solved is great



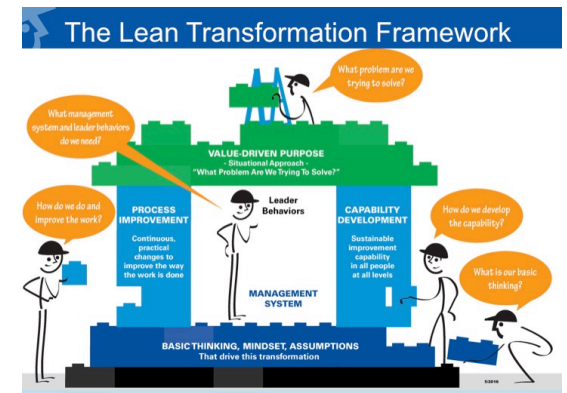
Coaching Means Developing Yourself

Leader must **coach** and “**be coached**”

Engage all 1-1,000 people in problem solving

Management serves and supports the employees

“Hourly” Problem Solving, not “Weekly”

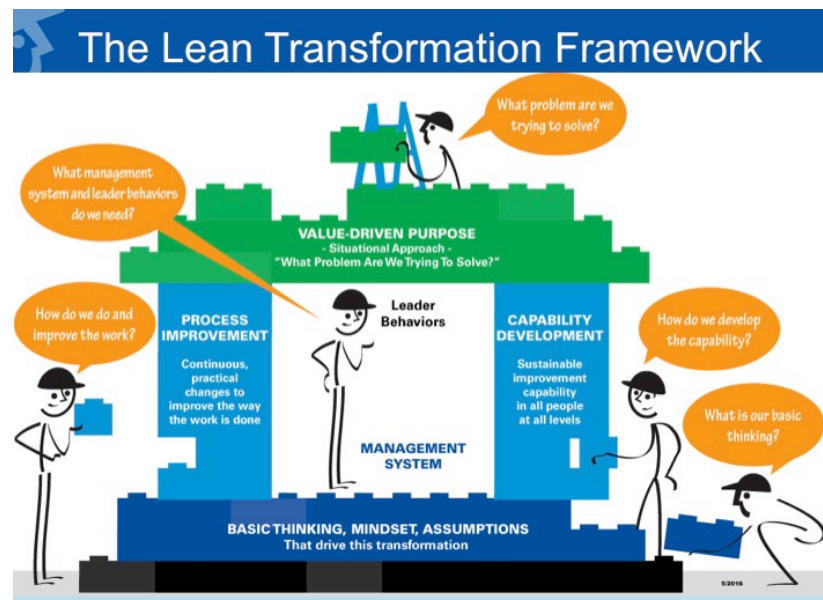


Transformation Question #3

Key learning and understanding

3. How are we developing capability?

- Do you have the necessary capabilities? Have you defined them? What is your approach to capability building? How are you developing people?



Mr. P's Toy Company Dimension #3

As a team work at the table

Read through the roles and current approaches to managing the work.

Discuss and document at the table what capability is needed for each

What is needed to improve?

What is the current state of capability?

What is the targeted state of capability?

What actions are needed?



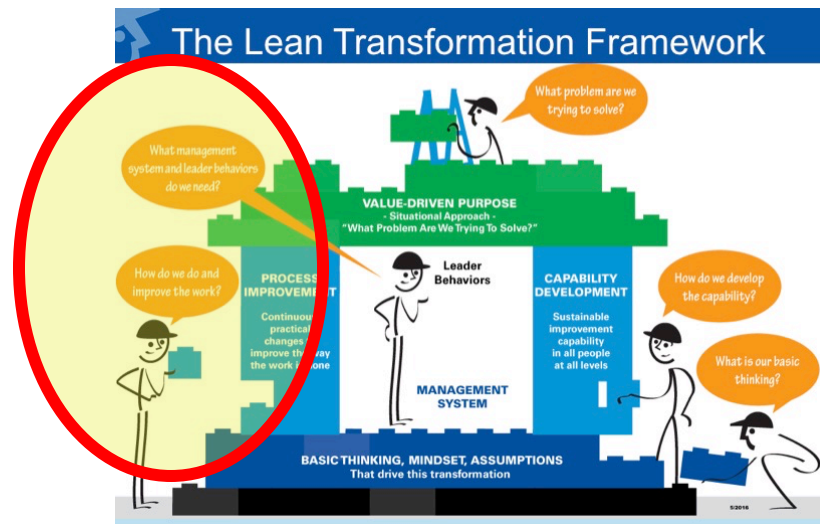
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Your Turn

Transformation Question #4

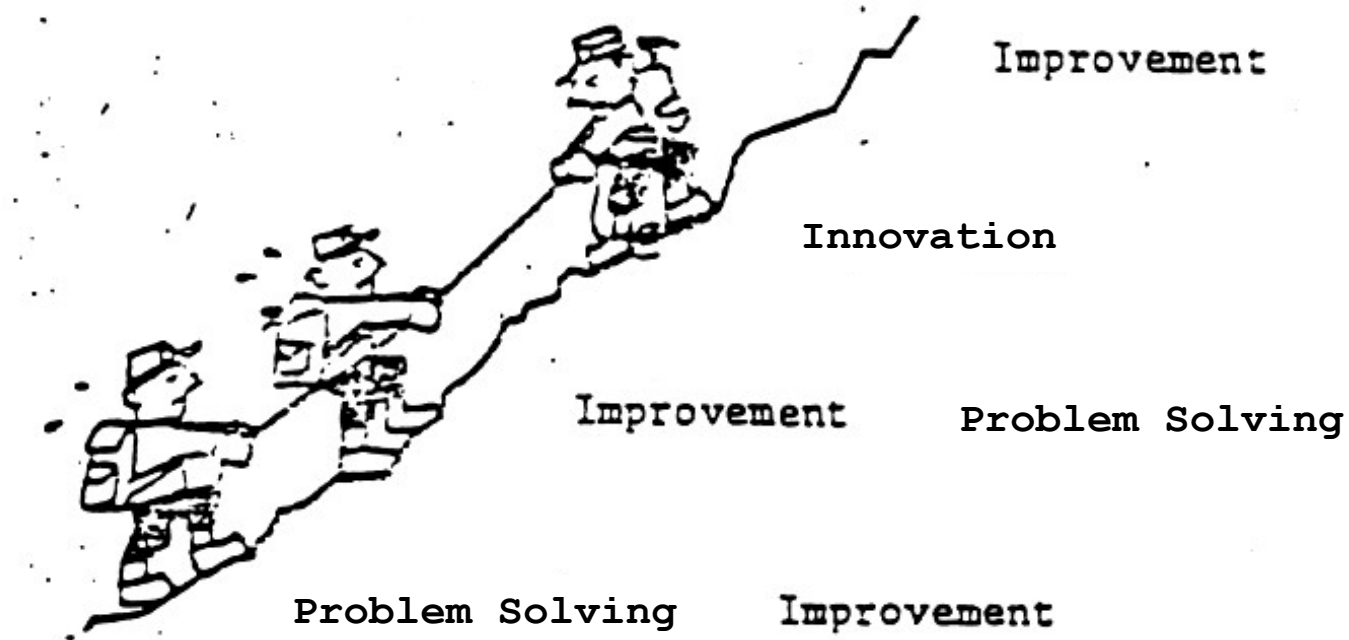
4. What management system and leadership behaviors are required to support the new way of working?

Have you designed the management system and do your leaders exhibit the needed behaviors (to develop capability to do the work to accomplish the mission)?



The Leader's Job is to Develop People

Get the work done and develop people...at the same time.





Two Master Coaches

Taiichi Ohno



Architect of
Toyota Production System

John Wooden



ESPN Coach of the Century



What Ohno Said About Leadership

“When you give an order or instruction to a subordinate you have to think as if you were given the order or instruction yourself.”

As a Leader, how do you learn the Team Member's work?

How do you define a development path so the Team Member can step into your role?

How do you continuously develop your own capability as a doer and a coach?

What has been done to clarify the problem and align the organization?

Visual tracking of cost reduction targets for AP5
to ensure output and achieve fundamental stability



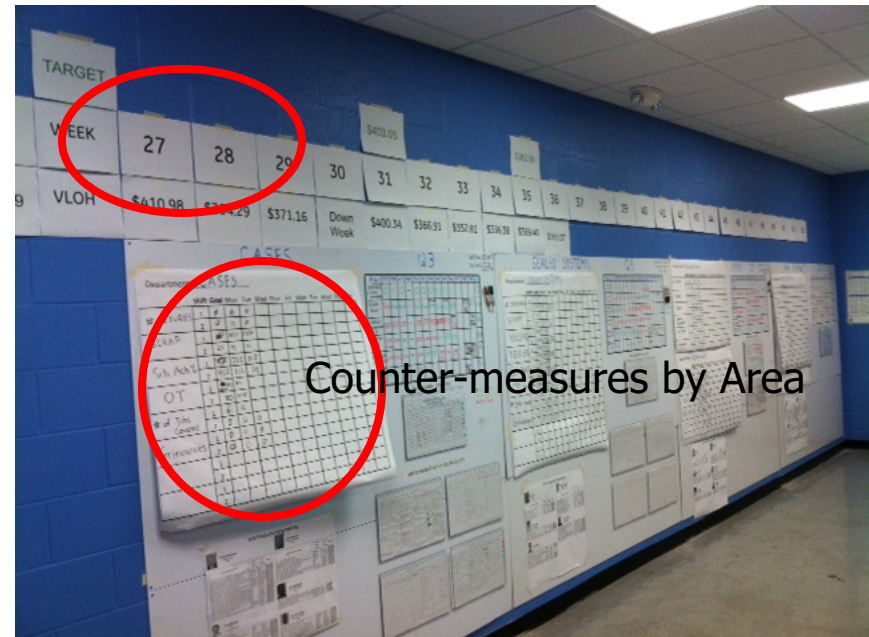
Results

- Decreased scrap
- Increased schedule achievement [output]
- Decreased overtime

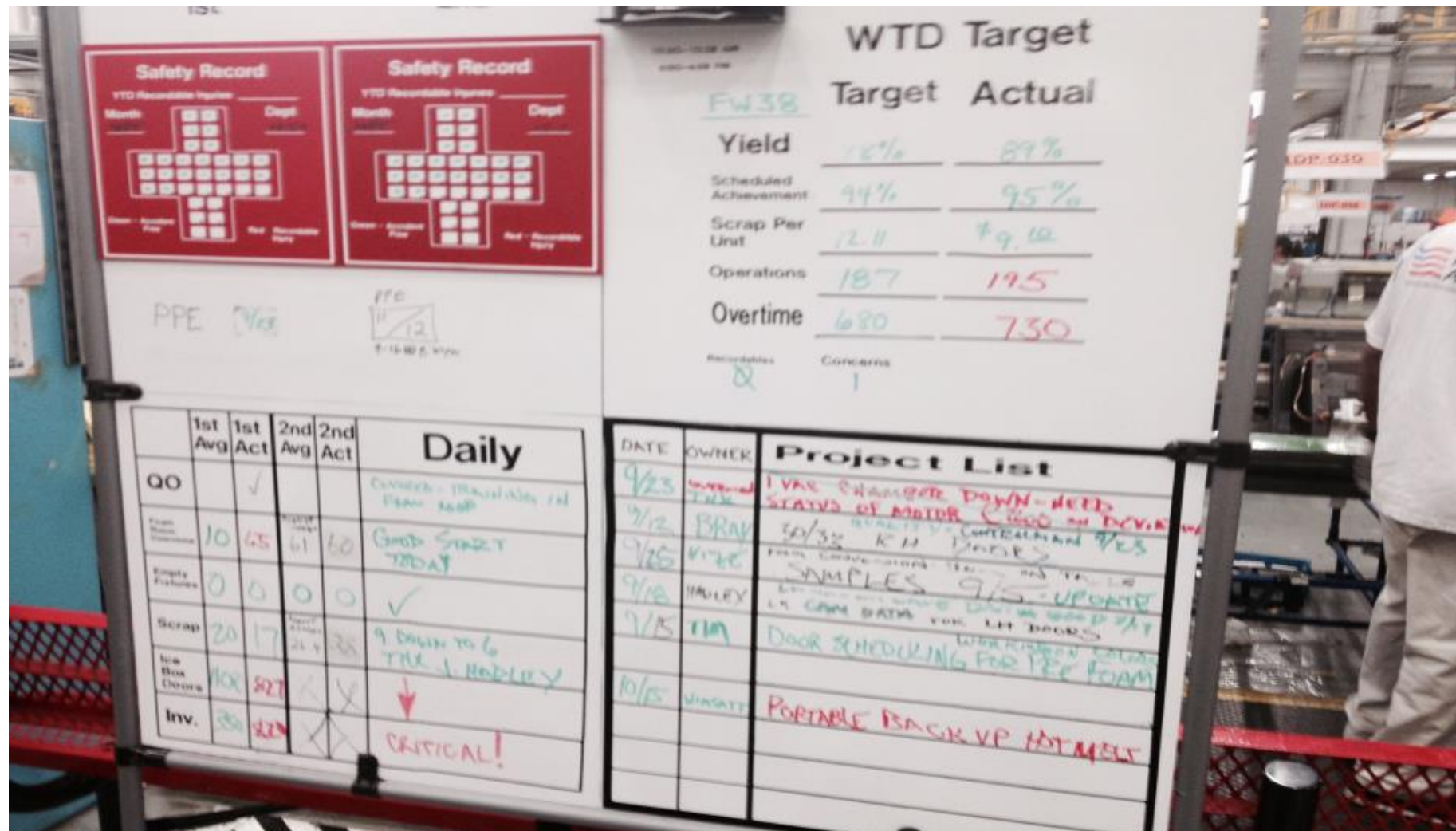
Overall Cost Target

Daily Meetings (deep dive)
by Dept. (Molding, Assy, etc.)
to confirm progress

Weekly Meetings with all leadership



Daily Review (Huddle) Board

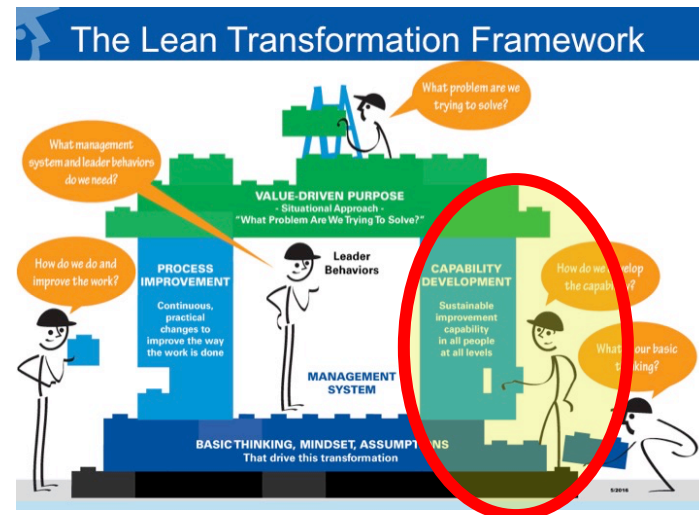


Transformation Question #4

Key learning and understanding around...

4. What management system and leadership behaviors are required to support the new way of working?

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Mr. P's Toy Company Dimension #4

As a team work at the table

Create a target state image for a management system

At the Leader Level

And at the Shop Floor level

What are the gaps between current state and target image?

What actions are needed?



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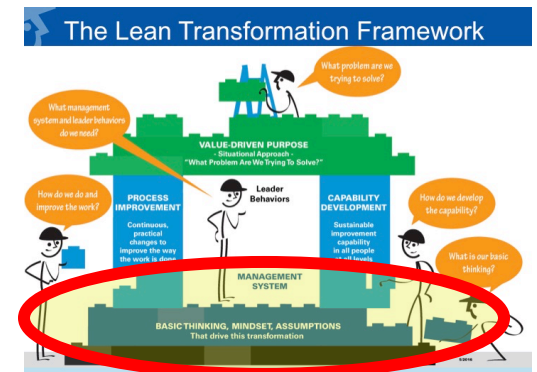
Your Turn

Transformation Question #5

5. What basic thinking, mindset, or assumptions underlie this transformation?

Do you understand the current basic thinking (mindsets, assumptions, as well as values) and grasp its impact on the organization and its culture?

What are you going to do to change the basic thinking(and culture) in desired directions?



“If some problem occurs in one-piece-flow manufacturing then the whole production line stops.

In this sense it is a very bad system of manufacturing, but ...”

T. Minoura, Toyota



Thinking Production System

“If some problem occurs in one-piece-flow manufacturing then the whole production line stops. In this sense it is a very bad system of manufacturing.

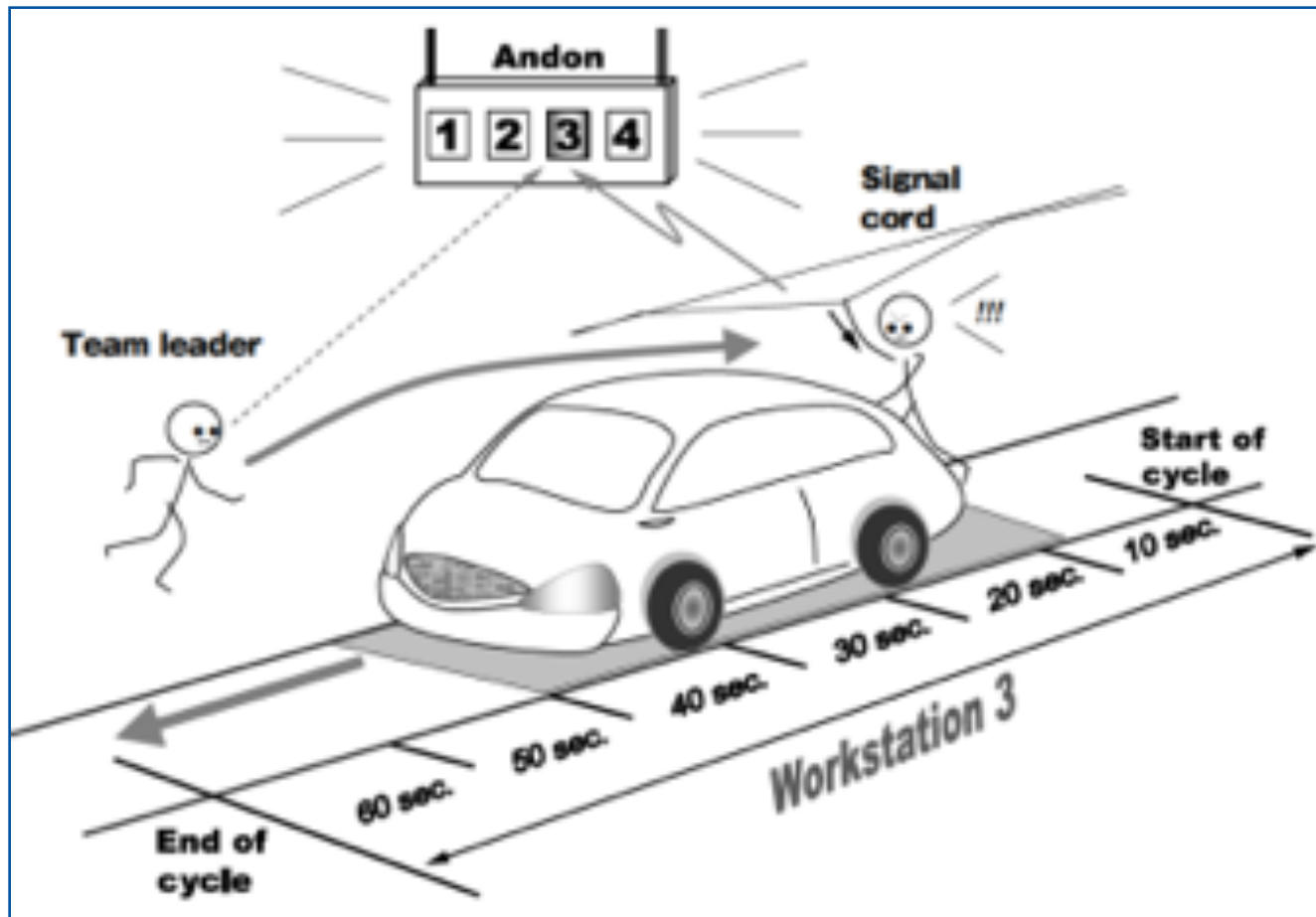
But ...

when production stops everyone is forced to solve the problem immediately.

So team members have to think, and through thinking team members grow and become better team members and people.”

T. Minoura, Toyota

Thinking Production System



What are some of the basic or underlying assumptions ?

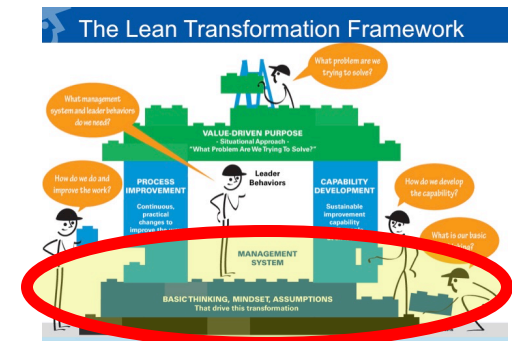
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Mr. P's Toy Company Dimension #5

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Discuss the questions at your table:

Mr. P's Company

The Leaders / Managers

The Work

Transformation Questions	What is your current situation?	What is an ideal “lean” condition?	What is your specific target condition to achieve in the next year?	What are your next steps?	
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Your Turn

Group Discussion

What is Mr. P's purpose, what value to create, or what problem are they trying to solve?

How do they do and improve the actual work?

How do they develop the capabilities they need?

What management system and leadership behaviors are required to support the new way of working?

What basic thinking or assumptions underlie his transformation?

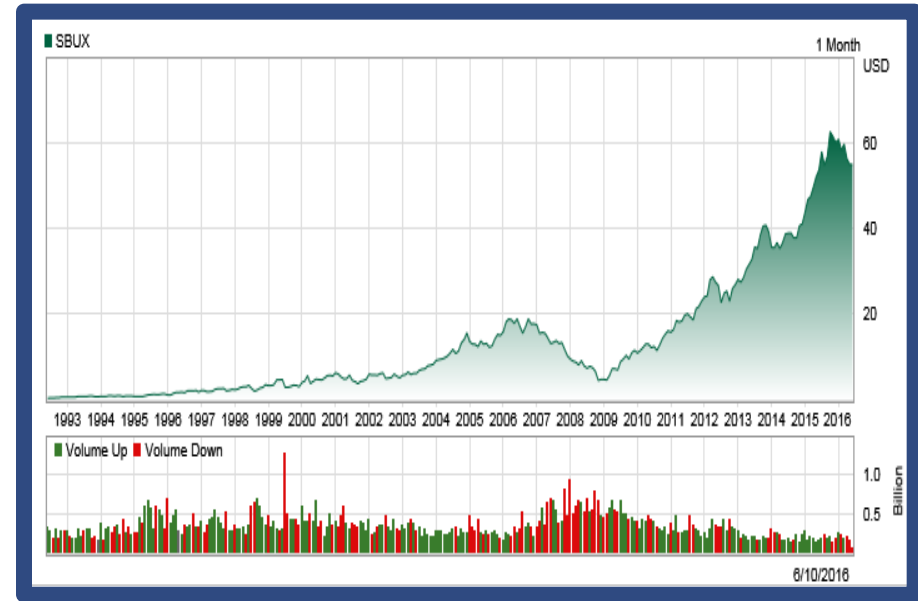




Case Study

Brewed Coffee at Starbucks

Purpose: High-Level Problem : looking for a new approach



It happens millions of times each week – a customer receives a drink from a Starbucks barista – but each interaction is unique.

Store front of original Pike Place store

It's just a moment in time – just one hand reaching over the counter to present a cup to another outstretched hand.

But it's a connection.

We make sure everything we do honors that connection – from our commitment to the highest quality coffee in the world, to the way we engage with our customers and communities to do business responsibly.

From our beginnings as a single store over forty years ago, in every place that we've been, and every place that we touch, we've tried to make it a little better than we found it.

1 Problem: Brewed Coffee Waste



The Problem Situation

What is the problem? Huge amount of coffee discarded at every store every day, while also being out of coffee when a customer wants it!

Why is it a problem? Dissatisfaction of customers, employees, and management – costing tens of millions of dollars per year

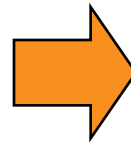
Why address it now? Customer satisfaction and costs identified as major company areas of focus to address declining sales and profitability

Introducing “Lean at Starbucks”

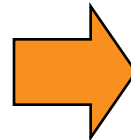


Lean, a simple definition

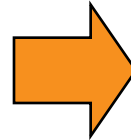
**Deliver the most value
from the customers'
perspective**



**while consuming the
fewest possible resources**



**by leveraging the
talents and ideas of people
at every level**



Lean relevance to Starbucks

Improve the Customer Experience:

- Consistent, high quality products
- Faster service
- Friendliness from staff
- Cleanliness of the store

Eliminate waste in:

- Team member work
- Machine capacity
- Materials
- Production area

Create a Self-Managing company by:

- Involving the minds of team members
- Engaging team members in problem solving and continuous improvement

Brewed Coffee Waste Problem



The Problem Situation

Coffee discarded while customers frustrated!

Traditional approach

Solve problems by focusing on standard costs & one-size-fits-all solutions broadcast from HQ to each store

Lean Approach

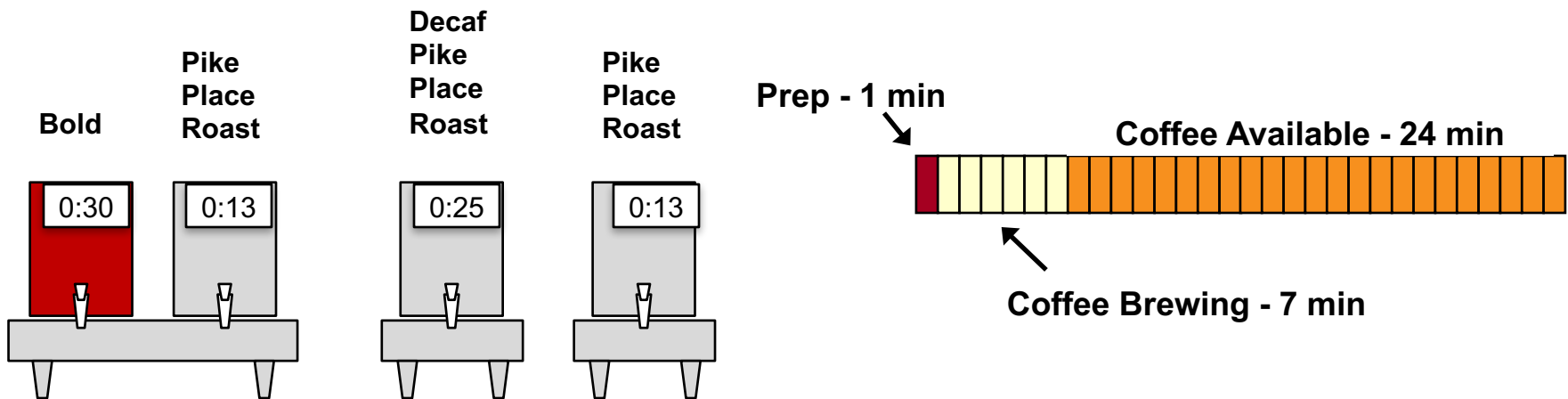
Built problem solving capability and engaged store teams in improvement, essentially, ***developing their own solutions.***

- *Direct Observation Go See* to understand the problems (physical waste, the WORK)
- Analysis of the actual facts of the situation and root causes led to deep understanding of the problem at each store
- Countermeasures were understood in terms of customer impact, employee impact, waste elimination in each store

Brewing Coffee the Old Way



1. Before opening the store... Grind whole bean coffee for the entire day
2. During the day... Brew batches ($\frac{1}{4}$, $\frac{1}{2}$ and Full) that last for 30 minutes



3. After closing the store... Discard any unused coffee grounds

Observed Problems

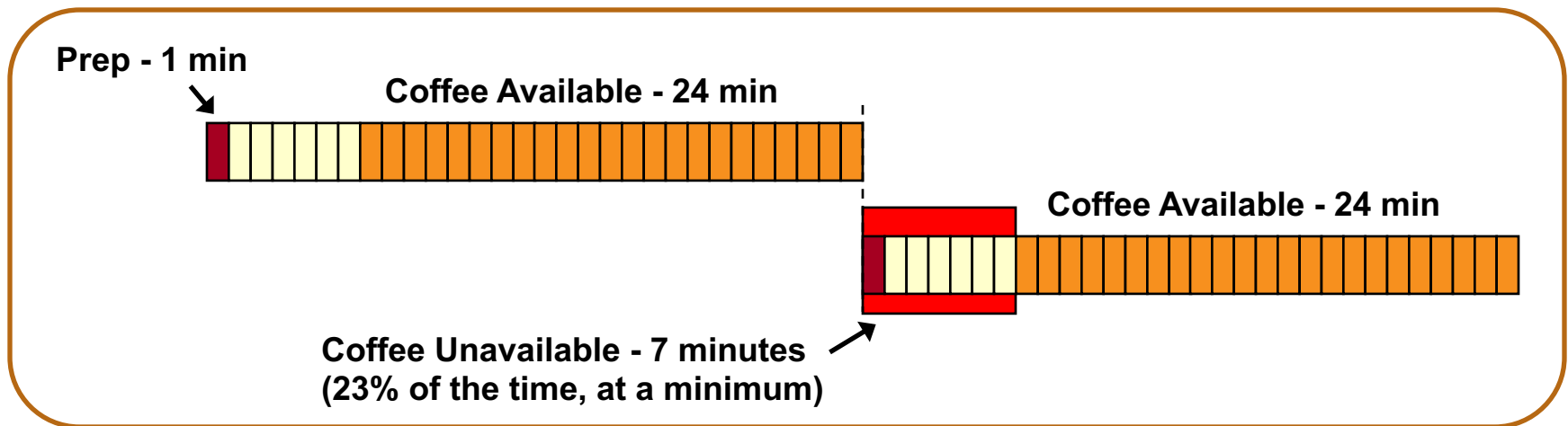


Quality - Serving brewed coffee that does not meet Starbucks own standards

Extra Labor - 15 minutes to grind coffee for the entire day, prior to opening

Waste - Unused coffee grounds & brewed coffee down the drain

Outages, especially during peak - “I’m sorry but we just ran out. Would you like to wait or substitute for an Americano?”



Brewing Coffee the New Way



From

Dedicated urns for each of two types (Bold & Decaf)

Grinding coffee beans in big batches

To

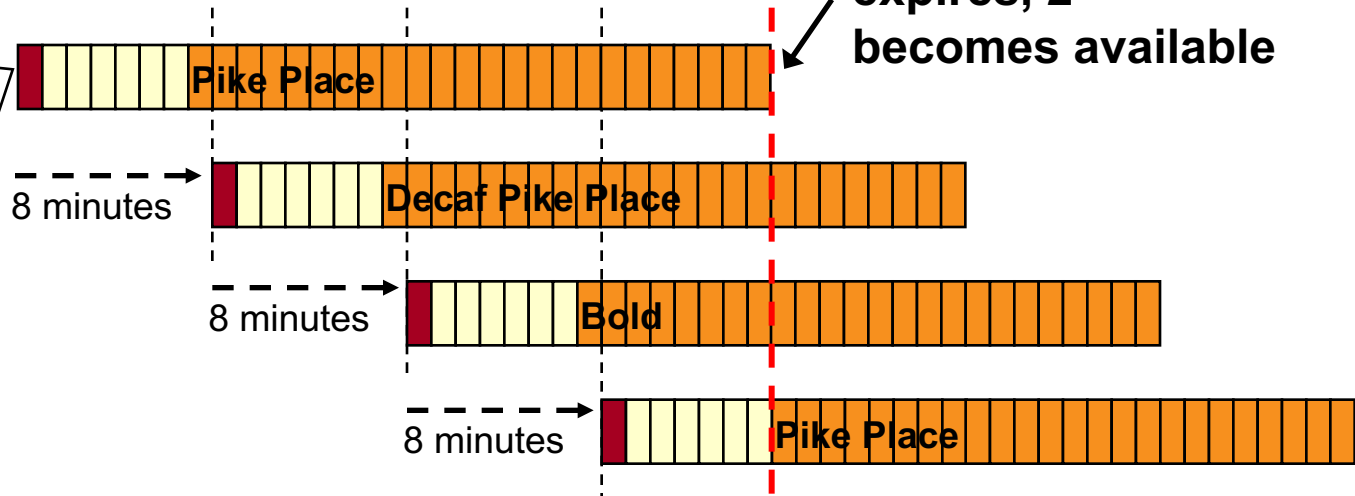
Rotating urn system, brewing on a regular cadence

Grinding beans just prior to brewing each batch, individually

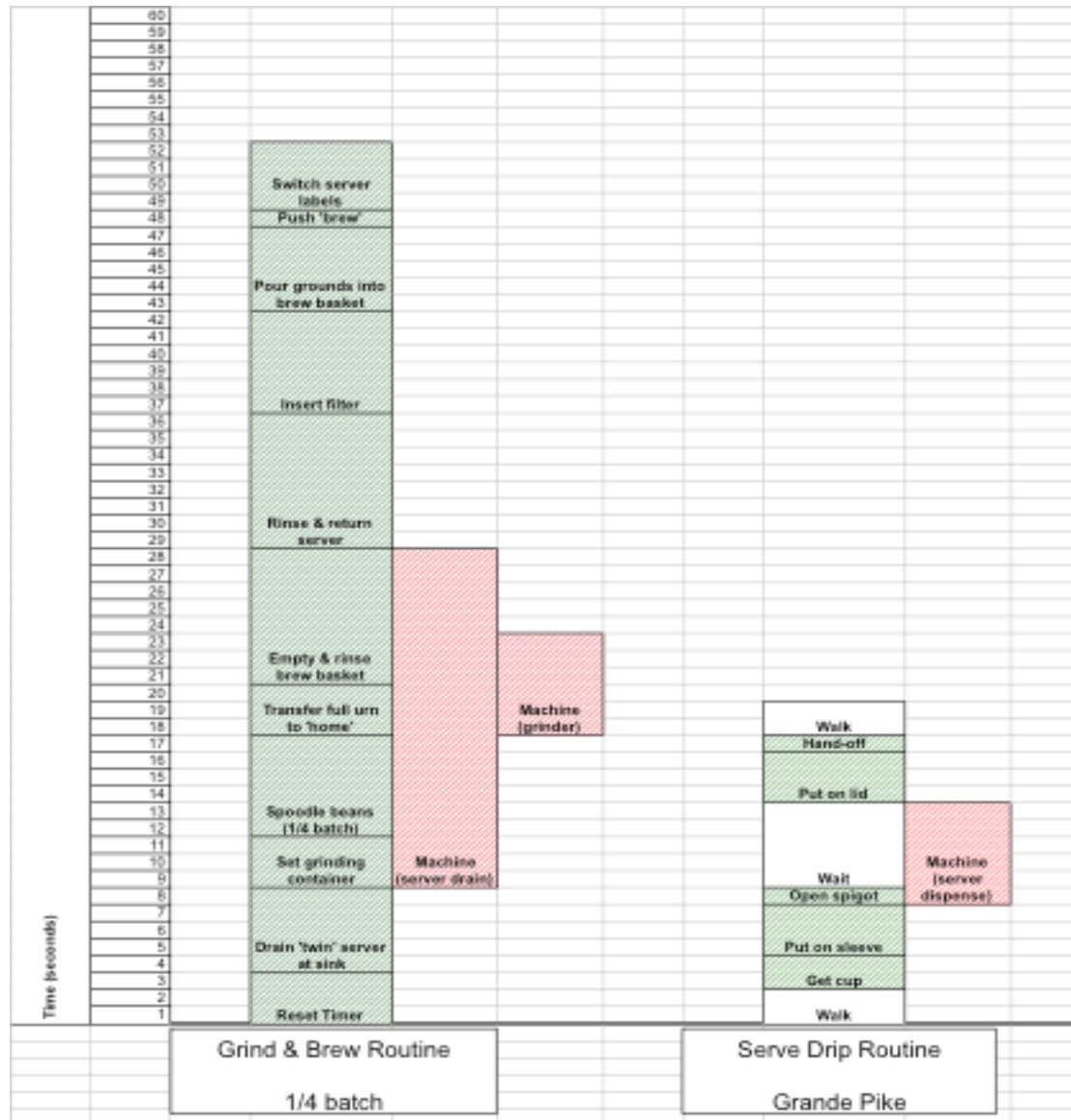
Brewing on an 8-minute Cadence

Brewed Coffee Repeating Routine

1. Reset timer
2. Drain server at sink
3. Grind coffee
4. Clean brew basket and server
5. Load brew basket
6. Brew coffee



Standardized the Work



Training the Routine



R ² - Repeatable Routine Instruction Sheet				
Grind & Brew Coffee		Concepts: Work ≠ Motion / Value of Repeatable Routines		
	Major Step (Defines what to do)	Key Point (Indicates how to complete Major Step)	Reason Why (Tells why)	Time
During Cadence	1 Reset Timer	<ul style="list-style-type: none"> Immediately 	<ul style="list-style-type: none"> Maintain Fresh Coffee Cadence 	3 seconds
	2 Drain Twin' Server at Sink	<ul style="list-style-type: none"> Using ramp Do step three while draining 	<ul style="list-style-type: none"> Easier & Faster to Drain Completely Save Time 	4 seconds
	3 Grind Coffee	<ul style="list-style-type: none"> Use pitcher Following grinding directions Return full server to home² while grinding Begin step four while grinding 	<ul style="list-style-type: none"> Easier to Grind Grind Correct Coffee Brew Coffee Save Time 	10-13 seconds
	4 Clean Brew Basket and Server	<ul style="list-style-type: none"> Rinse brew basket thoroughly Pour one shot glass of water through server's lid Transfer rinsed server to brewer 	<ul style="list-style-type: none"> Coffee Quality Prevent Cross Contamination Brew Coffee 	17 seconds
	5 Load Brew Basket	<ul style="list-style-type: none"> Insert filter flush against brew basket's walls Tap grounds pitcher Return brew basket to brewer 	<ul style="list-style-type: none"> Prevent Grounds in Coffee Deliver All Grounds to Filter Brew Coffee 	12 seconds
	6 Brew Coffee	<ul style="list-style-type: none"> Select batch size Relabel brewing sever 	<ul style="list-style-type: none"> Coffee Quality Identify Coffee 	5 seconds

conds

Starbucks Teaching Model

Step 1 - PREPARE

- Put the barista at ease and encourage them to ask questions
- Assess the barista's prior knowledge
- Tell the barista what you will be teaching them
- Tell the barista why it's important

Step 2 - PRESENT

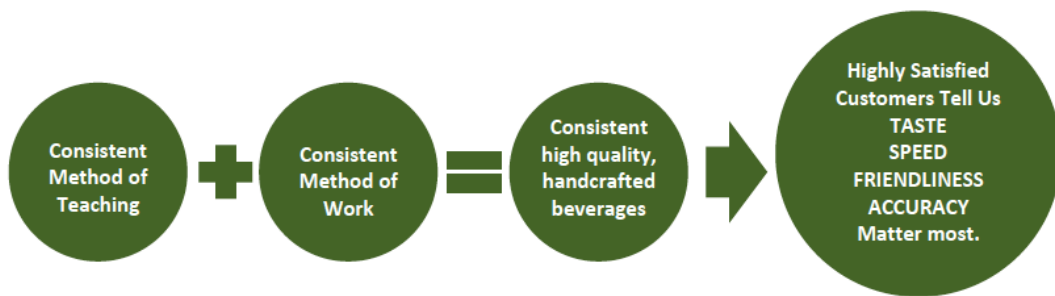
- Demonstrate the skill, talking through the Major Steps. State the step number as well as the total number of steps
- Demonstrate the skill again, talking through Major Steps, Key Points, and Reasons Why
- Provide enough information to complete the skill without overwhelming them
- Provide additional tools or job aids as needed

Step 3 - PRACTICE

- Have the barista demonstrate the skill without saying anything. Provide redirecting feedback as necessary
- Have the barista demonstrate the skill again, talking through Major Steps. Be sure to include the step number
- Have the barista demonstrate the skill a third time, talking through Major Steps, Key Points, and Reasons Why. Continue practicing until the barista can demonstrate the skill correctly
- Provide reinforcing and redirecting feedback through all steps

Step 4 - FOLLOW-UP

- Ask the barista for any remaining questions they may have and provide answers
- Tell the barista where they can go for support
- Check in with the barista as they perform on-the-job
- Provide reinforcing and redirecting feedback as necessary





Question Every Detail

- Why is it necessary?
 - What is it's purpose?
- }
- **Eliminate** unnecessary elements
-
- Where should it be done?
 - When should it be done?
 - Who is best qualified?
- }
- **Rearrange** elements (layout) for better sequencing (flow)
 - **Add/**S**ubtract** elements altogether OR to other jobs (offline)
 - **Combine** elements when practical
-
- How is the 'best way' to do it?
- }
- **Simplify** all necessary elements to make job easier, faster & safer

“Implementing” the Routine



Traditional approach

Corporate HQ identifies new process that will eliminate \$50M in coffee waste



Communicate directly to stores: “Here is the new way to brew coffee”



New lean approach

Regional Director
Learn & Teach



District Manager
Learn & Teach

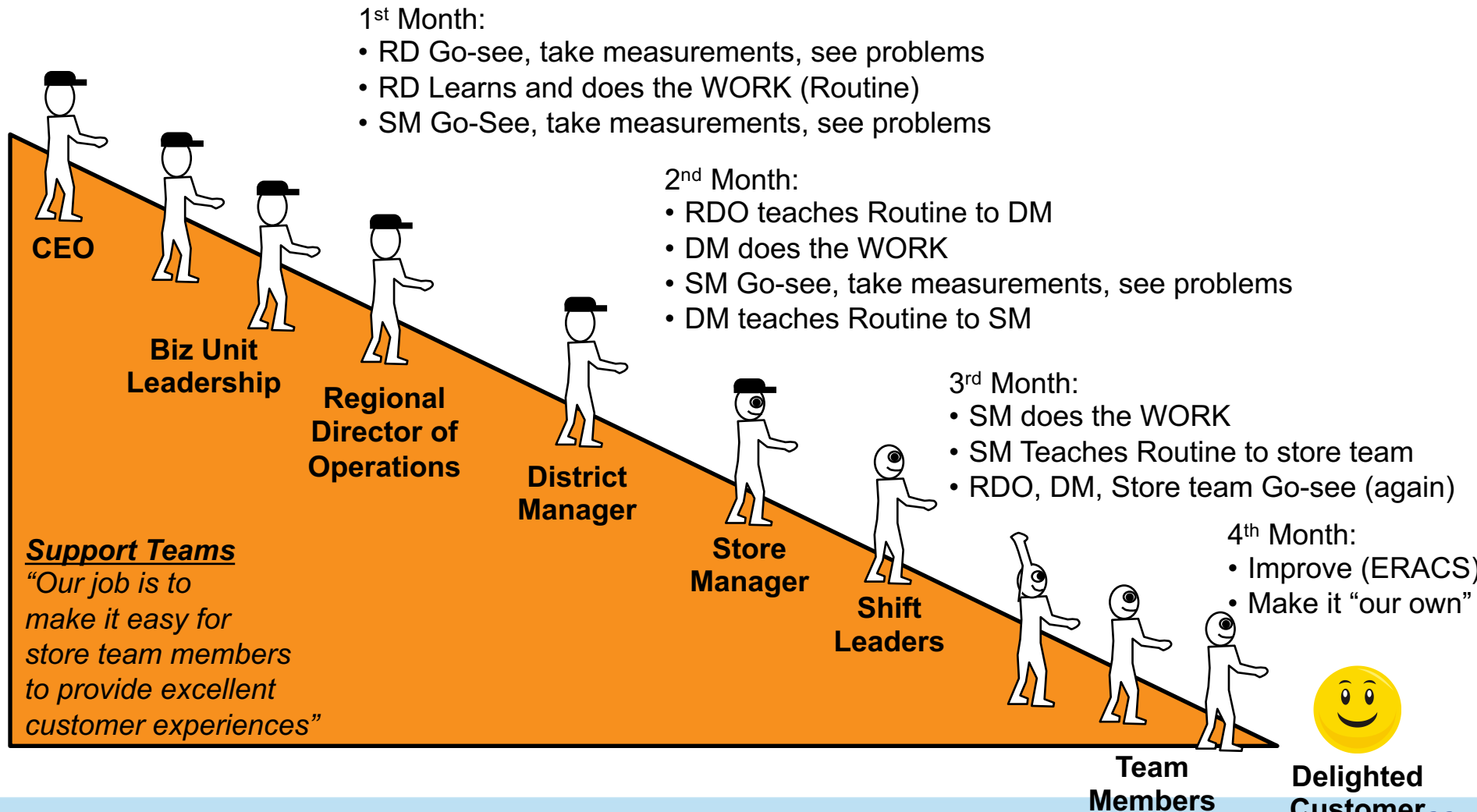


Store Manager
Learn & Teach

Creating Understanding & Capability



The Support Triangle shows the role team each member plays in supporting improvement of the customer's experience (quality, speed, friendliness, product availability)





Lean Approach to Change

Built problem solving capability and engaged store teams in improvement, essentially, ***developing their own solutions.***

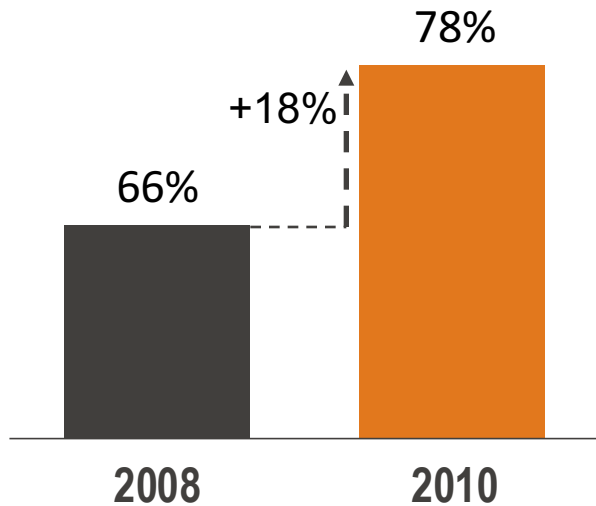
- *Direct Observation Go See* to understand the problems (physical waste, the WORK)
- Analysis of the actual facts of the situation and root causes led to deep understanding of the problem at each store
- Countermeasures were understood in terms of customer impact, employee impact, waste elimination in each store

Results

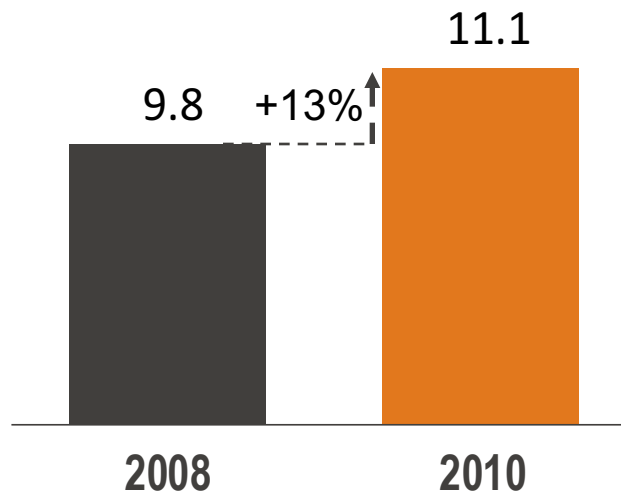
- Systematically and sustainably reduced waste by HALF in four months
- Developed problem solving capability in baristas and store managers
- Developed leadership capability - ***coaching problem solvers*** - in field leaders

Results

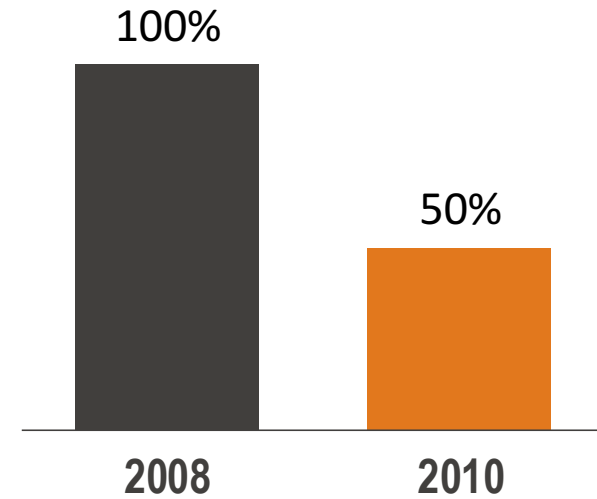
Overall Customer Satisfaction



Productivity



Coffee Waste



Employee Survey – Spring 2010

- Of 12 changes rolled out in SBUX stores, Lean was one of the most positively rated changes by all store team member levels
- Majority of team members at all levels stated they felt encouraged to try/suggest better ways

Principles Introduced



Technical Principles	Social Principles
Go-See	Leader as Coach
Motion \neq Work	Learn by doing
On-line to off-line	Asking 'why' not 'who'
Balanced work	Problems are good
Value of routine	Respect for people
Fixed-time, unfixed-quantity	Customer first (no stock-outs)

At both micro and macro levels of the business

Problem Statement

How does a store deliver fresh, quality coffee while eliminating coffee outages (0), reducing total coffee waste (by 30%), decreasing time spent with process (by 30 minutes) & simplifying the process?

Hypothesis

If a store

- Grinds coffee fresh for each batch brewed
- With undesignated servers by coffee type, allowing for server rotation
- With a ~60 second brew cycle time that follows a repeatable routine
- On an 8, 12, 24 minute cadence, depending on # of coffee offerings

Then it can improve quality, prevent outages, reduce waste & time while simplifying the process.

Current State (November 2008)

- Brewed Coffee Problem-Solving from '08 Leadership Conference engaged DMs in reducing waste & beginning to look at availability
- Coffee : Decaf & MP unavailable at least 20% of the time
- Brewed coffee waste: observed > 10 lbs./store/day of total coffee waste; including brewed coffee discarded at 30 minute hold-time & excess ground coffee discarded at close of 2-3 lbs.
- Labor: observed ~ 2 hours of labor/day including grinding coffee at open & at intervals as needed, brewing pre-ground coffee, discarding excess ground coffee at close

Improvement Plan

Areas of Focus
Brew Station

Tactics

- Collocate grinder
- Visual management
- Components above counter

Objective

- Reduce motion
- Reduce mindshare
- Reduce motion

Brewing System

- Cadence
 - w/ 3 coffees: 8, 6, & 8+ aux min. cadences
 - w/ 2 coffees: 12 min. cadence
 - w/ 1 coffee: 24 min. cadence

- Eliminate outages

Repeatable Routine

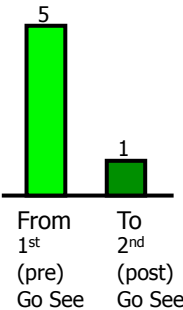
- Grind fresh
- Consistent work method
- Improve quality
- Simplify work & training

Action Plan

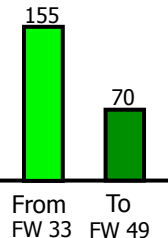
Activity	Who	When
•BCA development	JH	10/08-6/09
•BCA average volume validation testing (RTSO)	JH	11/08
•BCA high volume validation testing (NY)	JH	2/09
•BCA implementation testing (RTSO)	SH/BH	3/09
•BCA lead market test (Texas)	SH/KM	3/09
•BCA 2-district implementation test (Texas)	SH/KM	4/09
•BCA national launch & sustainment	SH/KM	6/09 →
•BCA in Licensed Stores	JH/JM	9/09 →

Metrics & Measurements

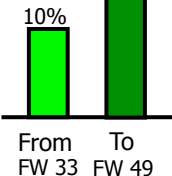
Coffee Outages



Availability Contacts @ Customer Call Center



Bold Coffee % of Total Brewed USD



*Brewed Coffee Availability implemented FW 40 FY '09

Notes:

- Bold sales increasing faster than FY '08
- FY '09 total Brewed USDs are increasing, partly driven by TSDs but we are seeing UPTs also increase
- CCC information indicates lower customer frustration - total calls & "availability" calls decreasing

Measurements

- Brewing (& grinding) cycle time (seconds)
- Time spent on coffee process (hours)
- Total coffee brewed (fl. oz.)
- Total coffee sold (fl. oz.)
- Total coffee waste (fl. oz.)
- Total coffee waste (WB lbs.)
- Coffee Waste: PPR, DPPR, MP (fl. oz.)
- Total coffee stock-outs
- Grinds discarded @ close (WB lbs.)

Pre-BCA BW

#11318 (11/18/08)

- 53 (brew only)
- ~2
- 6697
- 3306
- 3391
- 14.75
- 1442, 908, 578
- >25
- 2.5

Post-BCA BW

#11318 (1/6/09)

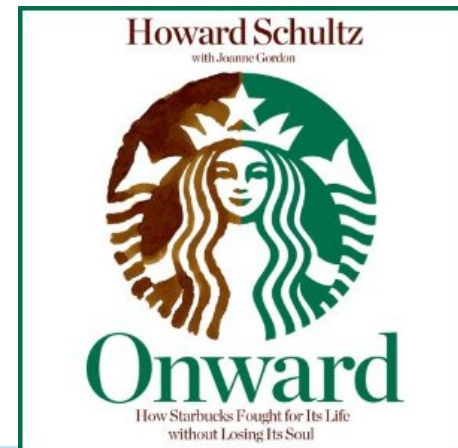
- 44 (grind & brew)
- ~1.5
- 5902
- 3242
- 2660
- 11.56
- 1196, 1018, 774
- 5
- 0

Chairman/CEO Howard Schultz

“I harbored doubts about this so-called ‘lean program’...applying a manufacturing-based process seemed cold and impersonal...”

But, “in store after store Lean was producing better ways of doing business and customer satisfaction was up...”

“Inside Starbucks, Lean has become a very big idea.”





Practice

Transformation Question	What was the original situation of the case study organization?	What could be their ideal “lean” condition?	What target condition did they choose to challenge?	What steps did they take? What happened?
1. Purpose - What is the purpose, what value is being provided, or what problem are they trying to solve?	Macro: <i>Growth</i>	Macro: <i>Quality with Growth</i>	Macro: <i>Survival</i>	Macro: <i>\$550M cost reduction target</i>
	Micro: <i>HQ figures out how to cut coffee costs</i>	Micro: <i>Store teams discover & solve quality, availability & waste problems independently & daily</i>	Micro: <i>HQ helps reveal problems, store teams adapt starter routines</i>	Micro: <i>Coffee waste identified.</i> <i>Process of go see, learn/teach routine, improve.</i>



Practice

Transformation Question	What was the original situation of the case study organization?	What could be their ideal “lean” condition?	What target condition did they choose to challenge?	What steps did they take? What happened?
2. Process – How is the value-creating and all work being defined and continually improved?	<p>“Here’s how I brew coffee”</p> <p>Grind batch once daily</p> <p>Grinder & brewer far apart</p> <p>Dedicated urns</p> <p>Four timers</p>	<p>Brew one cup at a time upon customer demand with ≤ wait time</p>	<p>Repeatable Routine</p> <p>Grind small batch just before brewing</p> <p>Equipment collocated</p> <p>Rotating urns</p> <p>One timer</p>	<p>R2 introduced & adapted by store teams</p>



Practice

Transformation Question	What was the original situation of the case study organization?	What could be their ideal “lean” condition?	What target condition did they choose to challenge?	What steps did they take? What happened?
3. Capability- How are necessary capabilities defined and being developed?	None	Problems made visible Daily problem solving	Problems understood: customers, baristas, business Job instruction “Basic” work improvement method (ERACS)	Go see (observe & measure) Learn routine, then teach Participate in “Make it Yours”



Practice

Transformation Question	What was the original situation of the case study organization?	What could be their ideal “lean” condition?	What target condition did they choose to challenge?	What steps did they take? What happened?
4. Management System & leader behaviors – How are the management system and leader behaviors being established to support desired ways of working?	HQ communicates solution Field leaders ensure compliance	Leaders develop teams: Standardized Work, Job Instruction and Problem Solving Create conditions where problems are visible Coach daily problem solving	“Leader led” learning cascade Periodic go sees to verify improvement & identify problems	Go see Learn → teach routine Go see again



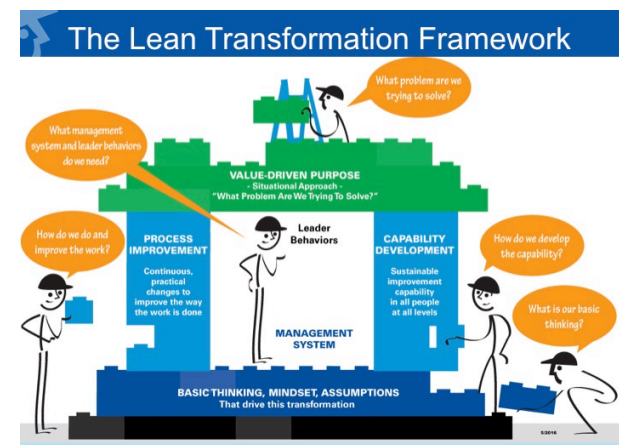
Practice

Transformation Question	What was the original situation of the case study organization?	What could be their ideal “lean” condition?	What target condition did they choose to challenge?	What steps did they take? What happened?
5. Basic Thinking, Underlying Assumptions - What basic assumptions or mindset exists? How do they need to change?	HQ solves Store teams comply Problems are personal failures Profit is the goal	HQ enables, solves problems out of store’s scope Store teams solve Problems are good! No waste	Leader led Go see Motion ≠ Work Value of Routine	“Better Ways”

Let's Look at Your Situation...

1. What is your *purpose*, what *value to create*, or what *problem* are you trying to solve,?
2. How do you *do and improve* the *actual work*?
3. How do you *develop the capabilities* we need?
4. What *management system* and *leadership behaviors* are required to support the new way of working?
5. What *basic thinking* or assumptions underlie this transformation?

Fill out the matrix
with your own problem to solve.

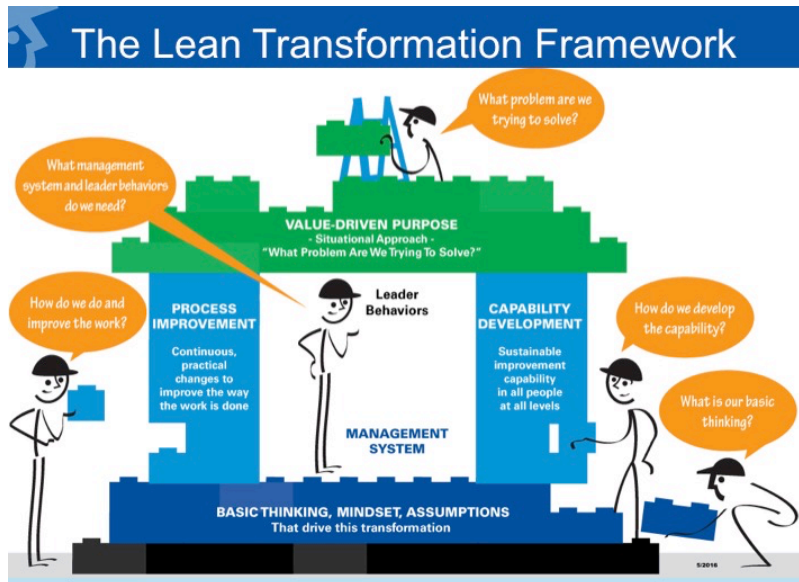


Transformation Questions	What is your current situation?	What is an ideal “lean” condition?	What is your specific target condition to achieve in the next year?	What are your next steps?	
1. Purpose - What is the purpose, what value is being provided, or what problem are they trying to solve?					
2. Process – How is the value-creating and all work being defined and continually improved?					
3. Capability- How are necessary capabilities defined and being developed?					
4. Management System & leader behaviors – How are the management system and leader behaviors being established to support desired ways of working?					
5. Basic Thinking, Underlying Assumptions - What basic assumptions or mindset exists? How do they need to change?					



Putting it to use ... Lean Transformation

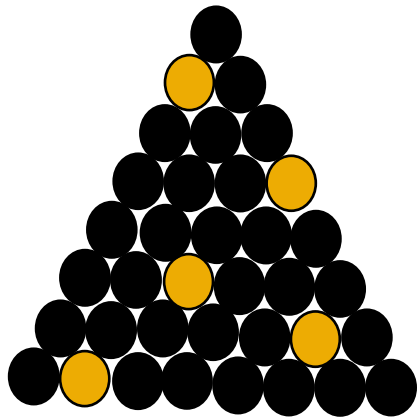
Where Do You Start – Either? Both at once?



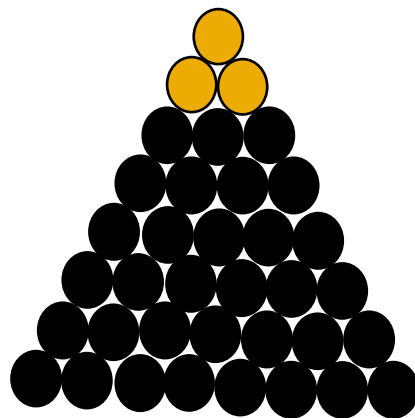
It's easier to act your way to a new way of thinking than to think your way to a new way of acting.

Transforming an Organization

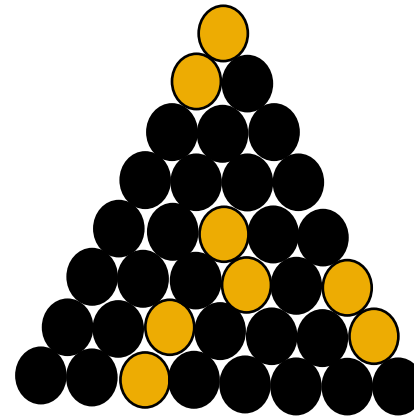
U of Michigan
Health System
Van Harrison



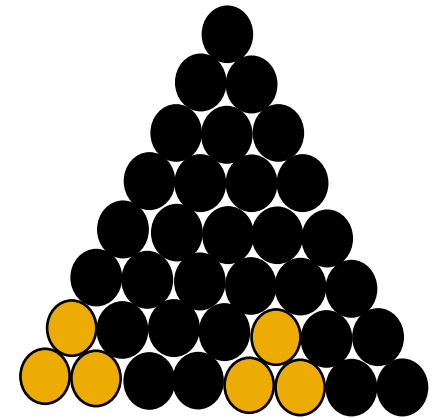
Individulas



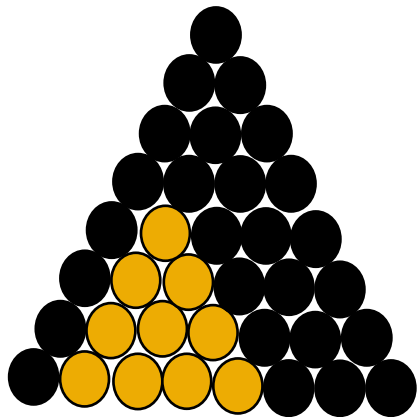
Leaders



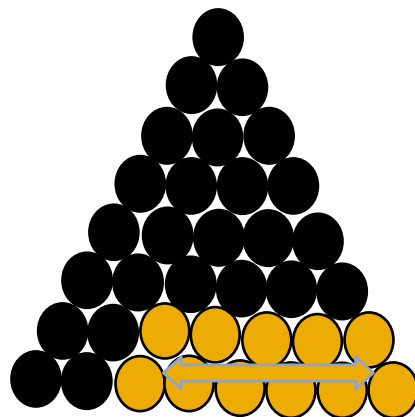
Supervisors-Mentors



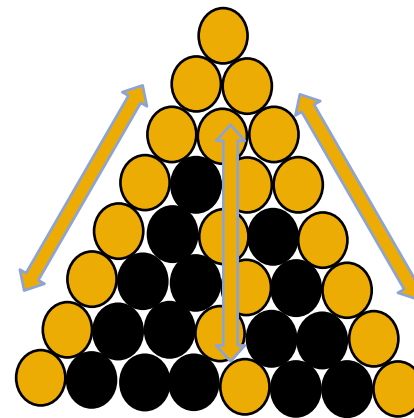
Work Groups



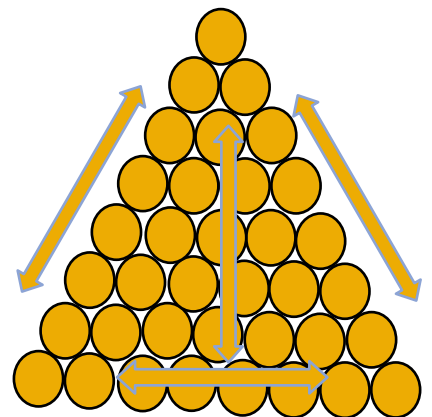
Departments/
Units



Across Units



Strategy Deployment



Transformed
Organization



Objectives

By the end of the learning session

“Understanding the Lean Transformation Framework (LTF)”
you will be able to:

Identify and describe each of the five dimensions of a Lean Transformation

Reflect upon your own situation....identify next best steps to take forward

Prepare a matrix that represents how the LTF may apply in your role / organization