

Volume 13, Issue 14 □ April 03, 2006

Important Dates to add to your calendar...

- **Apr 11, 9-12. HPM IT Roundtable – For HPM Members.** Host: Hammond Power Solutions, Guelph. Register with Nicole. **ALL HPM IT FOLKS INVITED.**
- **Apr 11, 9-11 am HPM Employee Leveraging Tours: Canada Post,** Host: Arlene Yam. 12 seats only available – first come. Register now with Nicole at 519-893-6260 or info@hpmconsortium.com
- **Apr 19, 12-3:30 HPM GMT Meeting.** Host: Hammond Manufacturing Limited (Enclosures) Guelph
- **April 25th 8:00 am – 4:00 pm AME CDN Region Leadership Forum.** Host: Magellan Aerospace – Orenda facility. Register online at www.ame.org
- **Apr 27th 9:00-11:00, HPM Employee Leveraging Tours:** Host: Frank Dolinsek. 12 seats only available – first come. Register with Nicole at 519-893-6260
- **May 3rd HPM Health & Safety Forum... details to follow –** This forum rescheduled from last fall. The agenda is being confirmed now. To suggest agenda content - email info@hpmconsortium.com
- **May 10th 8-5, Quick & Easy Kaizen,** with Chuck Yorke, Location: Cambridge Hilton Gardens Inn
- **May 17th HPM Board Meeting** Host: Bird Packaging
- **June 12-15th, Second Canadian Regional Conference... Kitchener-Waterloo Region Canada.** Consider accelerating your Lean Journey. Download from www.hpmconsortium.com – Click "Resources"
- **Jul 5th, 12-3:30 HPM GMT Meeting,** Host: Mancor, Speers Road facility, Oakville
- **Aug 23rd, 11:30-5:00 HPM Board Meeting** Host: GE Multilin, Markham
- **Oct 11th, 12:00-3:30 HPM GMT Meeting,** Host: COM DEV Space, Cambridge
- **Nov 22nd, 11:30-5:00 HPM Board Meeting** Host: Hammond Power Solutions, Guelph

Comin' Fast: For HPM Member IT Leaders & Practitioners

"IT Roundtable: Exploring Member Resources"

NEW ~ **APRIL 11TH** ~ HAMMOND POWER SOLUTIONS ~ GUELPH ~ AN INFORMAL 'FIRST' DISCUSSION ON IT RESOURCES

Objective & spirit: This half-day, shirt-sleeve Roundtable, – or - '**conversation for possibilities**',

Canada Post is Amazing

April 11th tour has room to see first-hand

Only a few know Canada Post is one of the leading implementers of Lean in North America... and, that its **members are full members of Lean Mfg Consortia from Alberta to Newfoundland.** They consult on Lean's implementation to the world's Postal systems – and their Process Excellence staff travel across the country as they raise their own standards within their 55,000-person employee base.

On April 11th, join Arlene Yam and Canada Post staff to see what we mean. And heads up – you are in for a treat with **Jean-Laurent Rousset's conference presentation in June.**

is open to **all HPM IT professionals** interested in coming together to talk about their interests and challenges to see if there are opportunities to be gained by exchanging know-how, ideas, or practices.

This is seen as an informal way of identifying member resources and possible joint interests as it has been a long time since such a meeting was held.

Host: Our host is **Russ Deacon** who is the IS leader at Hammond Power Solutions. 519-822-2441

Informal Format: Come equipped to share a 10 minute overview of where you are, which will be followed by a brief Q/A. Attendees may do this either orally or via PowerPoint – your call.

IT Tour: A tour of recent implementations and coming initiatives will be led by Russ Deacon

Location: Hammond Power Solutions Facility in Guelph – Maps will be sent to all who register.

NOTE : For Security & Logistics reasons (muffins) **Please email or call Nicole** to let her know who is coming. Email: events@hpmconsortium.com. Or, by phone at 519-893-6260

Roundtable Agenda:

08:30 AM Welcome & Opening Remarks - Russ

08:45 'Round-the-table' Intro & objectives

09:15 Presentations by each Member

10:00 Break

10:15 Focused Tour: IT Initiatives at Hammond

11:00 Complete Presentations by Members

11:30 Discussion of common interests

> possible next steps

> where to from here

12:00 Adjourn

As it is a half-day program, there will be no lunch but Hammond will provide a light continental breakfast and refreshments during the break.

Dan Jones, Lean Enterprise Academy on

Developing Problem Solvers

Dan was our Keynote for the 2003 Lean Conference – his partner, Jim Womack, founder of the Lean Enterprise Institute, will be at the Kitchener Lean Conference June 12-15th, 2006

Dear Dave

We traditionally see an organization as a collection of departments or activities, each managed separately and each separated from the rest by inventories or time buffers between them. Performance is improved by setting targets and budgets. When these are not met we change the managers and if that does not work we restructure the organization. We instinctively reach for structural solutions because they are quick and relatively easy. **However the underlying processes and cost structures remain more or less unchanged.**

When I walk round any organization I see it as a collection of customer processes (if it is a service delivery organization like a hospital), design and production processes (creating the value the customer is paying for) and many support processes that enable these value creating processes to flow. **The task is to identify the value in each of these processes, to see and manage the end-to-end flows and to synchronize the support flows.**

If I can not see the end-to-end flow through production, then neither can employees and managers. So the first task is to help them see their processes and to uncover the reasons why they do not flow. Quite often this means looking at the impossibly complex mix of products they are attempting to flow through their processes. It also means challenging the batch logic of their planning systems trying to schedule every product or batch through every operation. Getting over this hurdle creates the conditions where we can begin to flow most products through the entire process. It also creates the stability necessary to develop standard operations in every process step, which is the baseline for continuous improvement.

As well as looking down at individual processes, I also want to fly a little higher and look down at the organization as a whole. What are the major flows through the organization and how do all these processes interrelate? I have in mind a fishbone diagram, overlaid on the organization chart. The value creating processes form the backbone and all

the support processes are the fins. Once we can see how an organization flows then I am sure we will see even more opportunities for improving it.

The distinctive thing about lean thinking is that it derives from **observing best practice organizations and not from theory (which is why academics have such a hard time understanding lean)**. The lean principles distil the cumulative experience of thousands of people who have spent their working lives solving the problems that enable processes to flow, and to do so in line with customer demand.

The core expertise required to create and improve processes is a scientific approach to problem solving close to its source. **Every problem is an opportunity to improve the process and every problem is also an opportunity to develop your people. The two go hand in hand.**

So the second thing I look for is how good the organization is at seeing and surfacing all the interruptions and hiccups in their processes. Are these recorded as they occur and what are the processes for responding to them? Are they delegated to an expert group to solve or is everyone involved in some kind of problem solving activity?

If so, is there a common approach to problem solving across the organization and a common language for communicating the diagnosis and the results? Is there a policy deployment framework for aligning and prioritizing problem solving activities in line with the business goals of the organization?

More than anything else, do managers lead by developing the abilities of their staff to solve problems, at every level in the organization and throughout their career? Do employees look up to their superiors for the answers to problems or do managers guide their staff to find the right solution by asking the right questions?

Answers to these questions reveal the real management challenge and opportunity from lean thinking. Process thinking is fundamental to delivering increased value to customers at lower cost. But this in turn relies on an infrastructure for communication and problem solving and a management committed to continually developing the problem solving capabilities of its people, from the top to the bottom.

Daniel T Jones, Chairman, Lean Enterprise Academy

PS. Note both Dan and Jim are much involved in non-mfg applications of Lean. Check out www.leanuk.org. This year Dan will be at the Healthcare Summit March 28-29 in Melbourne AU and their Lean Summit on April 4-5.