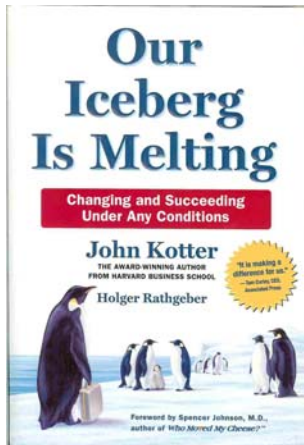


**Volume 13, Issue 40**  **October 02, 2006**

Important Dates to add to your calendar...

- Oct 11<sup>th</sup>, 12:00-3:30 HPM GMT Meeting.** Host: COM DEV Space, Cambridge
- Oct 16-20<sup>th</sup>, 2006 22<sup>nd</sup> AME International Lean Conference** in Dallas – 1,650 now makes it the largest Lean conference ever in North America. Each signup now sets a new record. [www.ameconference.org](http://www.ameconference.org)
- Nov 22<sup>nd</sup>, 11:30-5:00 HPM Board Meeting.** Host: **Gerrie Electric**, Burlington. Learning component will highlight **Jay Myers, Chief Economist and Sr. VP CME** who will bring his annual Economic Update. The Leveraging component will include details on **Gerrie Electric's 5S Implementation**
- Nov 29<sup>th</sup>, 8:30-4:30 HPM Share Showcase** – See the diversity & harvest innovative ideas from each HPM'er.



## When Culture meets Change... Culture Wins Every Time!

And that is true. In the '60's and 70's the cultural issue was widely avoided but today, when global competitiveness is the name of the game, culture change is high on the list of strategic concerns.

It is no small feat as it means management has to change as well but the great companies understand this and roll up their sleeves and get at it. Jim Collins' book is being widely read across Canada – and agreed with. However, the discussion tends to focus on "well, just how do we get the right people on the bus anyway?" – and the discussion quickly turns to what will the current culture allow?

## So How Do You Make Sustainable Change? *When no two companies are the same?*

Here is John Kotter's take on this from his newest book "**Our Iceberg is Melting**" – and contained in his excellent in-demand-book "**Leading Change**" which got a "#1 management book of the year" rating.

If you have not read these books here is his 8-Step Process for successful change.

### Set The Stage

**Step 1: Create a sense of urgency.** Help folks to

see the need for change and the importance of acting immediately

### Step 2: Pull together the guiding team

- Make sure there is a powerful group guiding the change that has leadership skills, credibility, communications skills, authority and analytical skills... and believe there is a sense of urgency

### Decide What to Do

#### Step 3: Develop the change vision & strategy

- Clarify how the future will look and how it will be different from the past – and how you can make the future a reality

### Make it Happen

#### Step 4: Communicate for understanding & buy-in

- Make sure as many as possible understand and accept the vision and the strategy

#### Step 5: Empower others to act.

- Remove as many barriers as possible so that those who want to make the vision a reality can actually do so

#### Step 6: Produce short-term wins.

- Create some visible, unambiguous successes as soon as possible.

#### Step 7: Don't let up.

- Press harder and faster after the first successes. Be relentless with initiating change after change until the vision is a reality

### Make it Stick

**Step 8: Create a new culture.** Hold on to the new ways of behaving, and make sure they succeed, until they become strong enough to replace old traditions.

This new book by John Kotter is a very simple – one sitting – book that has the power to change one's thinking. It actually is being used to do this as some leaders are making it mandatory reading for teams who are in a transitional mode.

**Our Iceberg Is Melting** is a simple fable about doing well in an ever-changing world. Based on the award-winning work of Harvard's John Kotter, it is a story that has been used to help thousands of people and organizations. The fable is about a penguin colony in Antarctica. A group of beautiful emperor penguins

live as they have for many years. Then one curious bird discovers a potentially devastating problem threatening. It is an easy and clear read that causes one to see all kinds of parallels between the penguins and the 'folks in our company.'

It is based on those Eight Steps John talked about in Leading Change to produce needed change in any sort of group. It's a story that can be enjoyed by anyone while at the same time providing invaluable guidance for a world that just keeps moving faster and faster.

Check out [www.ouricebergismelting.com](http://www.ouricebergismelting.com)

## It is September – A New Fall is Upon Us – So Perhaps It's Time For a Tough Look-See

The Kitchener conference opened many eyes. The very theme hammered the idea of ***'If you are going to succeed in the global market place – you have to take the blinders off at home and make sure the 'Home processes' are clean, constantly improving, and right!'*** That is not so easy since some 50-70% of the waste in our companies is there because folks cannot see it "cuz we are living in it – and it just has become invisible to us".

### Here is One For All Of Us

Are you lean – or just think you are?? The Boston-based Aberdeen Group has completed a very good 300-company **"The Lean Benchmark Report"** whose tag line is 'Closing the reality gap.' One finding that jumps right out of this study is this:

***"This study uncovered a large performance gap between those companies that are simply using Lean techniques on the shop floor – versus those that have built a culture based on Lean thinking."***

For HPM'ers and AfEE Members there is a good way to maintain the eye on 'where we are' via the diagnostics.

HPM's member-wide diagnostic is well underway now and the plan is to use the data gathered to not only provide feedback from 'outside eyes' but to add member data to the nearly 100 company database that has been building over the past few years. This data base will provide members with a reference against which to compare themselves.

## Notes from Norm to Kitchener Conference Attendees

Attendees to the conference won't soon forget the two-punch conclusion to the Kitchener Conference which began with Norm Bodek's memorable and powerful "Success in Mfg. begins with the power within you" – which was followed by the Dan Shunk barn-burner focusing us on "Getting your home operations in order to compete & win."

Here is a personal note from Norm written just after the conclusion of the Orlando FL Lean Summit that he is passing on for you:

*"On one of my study groups to Japan, I led a group from AVCO Corporation (now part of Textron) and sat on the airplane going to Tokyo next to the president, Don Ferrar. With real frustration, he said, "Norman, why can't I get quality from my employees?" On the way back from Japan two weeks later Don turned to me and said, "I now realize it is not them it is me."*

*At the Lean Accounting Summit a number of people did say that they needed "permission" from their boss to make any change - a universal excuse. People, all people, are just afraid of change. I prefer the saying, "It is better to ask for forgiveness than for permission."*

*Remember, those of you that did hear my speech that we primarily only learn from our "mistakes," but we are part of a society that frowns on mistakes, and prefers that we "not learn," than make any mistakes.*

*The real power in Japan is "bottoms up management." I can't recall in any of my numerous visits to Japan hearing that "I need to get approval from my boss." Sure they do have consensus management and work to gain acceptance with their peer group. If we can begin to teach this approach of consensus building and "bottoms up," then Lean Accounting can move forward swiftly **The CEO's job is to create the vision and help set the values and then leave the running of the company and the decision making process to the employees.***

Best,  
Norman

Norman Bodek is the author of the Shingo Prize winning **Kaikauku**, and of **"The Idea Generator - Quick & Easy Kaizen."**

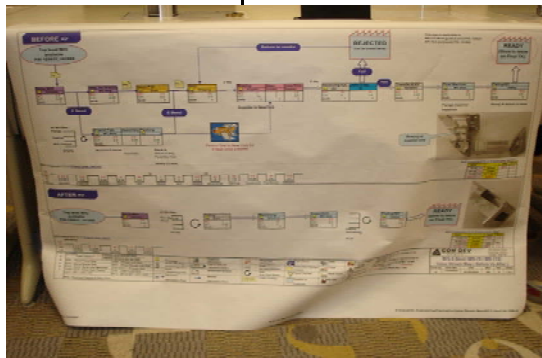
# Share Showcase is Coming November 29<sup>th</sup>

*Company practitioner-to-practitioner exchange at its best. Last year's attendees walked away with insights into how to drive a department completely paperless – from a member who had done it. Others left committed to learn how to employ a novel way to ramp new employees to competence in record time, and the list goes on.*

**But where it starts is now ---** By considering just what you will share with other members this coming year that they can take away... Knowing that, afterward, your folks will go home with new ideas as to how to make it even better – and with the pride of knowing they have done something that matters.



*1Rockwell's Sheet Metal Cell layout improvements*



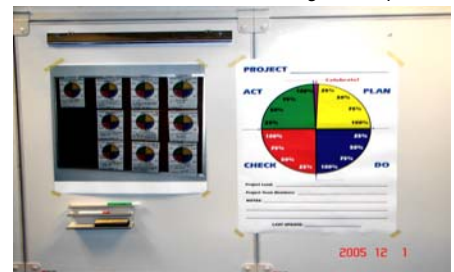
*Another superb COM DEV Value Stream Map*



*Team Gerrie - taking AP Paperless*



*Canada Post defines visual*



*Tempress makes a good ideal Great!*

**Remember these?** They are only a few of the rich contributions that were harvested. Join your team in planting the ideas now that you will harvest this November 29<sup>th</sup>.