

Volume 11, Issue 14 □ **April 05, 2004****See A Simple Initiative Gerrie uses to Keep Folks on the Same Page... See Next Page****Important Dates to add to your calendar...**

- **Apr 13&14 HPM: Building A Lean Floor Culture -High Performance Relationships.** This 2-Day complement to the “**Practice of Leadership & Coaching**” process provides value-adders with the **common language, philosophies, and key skills to help lead their company’s transition to world class.** It’s hands-on nuts & bolts training for practitioners presented by a practitioner. Call 519-893-6260 or check www.hpmconsortium.com
- **Apr 27&28, HPS Intro to Lean Accounting 1.5 days.** This fall... there will be a “**Lean Accounting Roundtable.**” We’re looking for HPM’ers & Weekly Update readers serious about implementing LA. If interested, attendance at this session is a prerequisite for being a “Pilot Site.” dhogg@netcom.ca for info.
- **May 12th, HPM Consortium-to-Consortium Phone Exchange** HPM will continue chatting with ‘con-senting consortiums’ from Newfoundland to BC to – *exchange ideas on best practices etc...* Calls to Nfld, MB, Sask, and BC are planned, with more to come. dhogg@netcom.ca or call 519-893-6260.
- **May 18-20th, AME Leadership in Manufacturing ... How the Best Plants Do It!** A Special AME Conference with **Industry Week** Magazine featuring the top “America’s Best Plants Competition” winners – including the second Canadian winner: Guelph’s Collins & Aikman. Check out www.ame.org

April’s Lean Leadership Quick-Check
Pick one~ drive to implementation & then the next

Leadership in 2004 is all about “the ability to generate followers.” Employees, managers and supervisors who can do this are in demand everywhere. Companies who lead, equip and involve their people to drive home that feeling of ownership that can only come from honest involvement. Those in difficulty, or who are struggling, usually are struggling since leaders won’t let go, so in return, employees will not take ownership – and neither would you.

Beginning the transition may seem daunting – especially with other leaders around of long seniority. Hence, beginning with what you can control is a place to start. The two key competencies for leading anywhere – at home or at work – are these: 1) The **ability to Vision** a future desired state, & 2) The **ability to communicate** that vision so clearly that I can taste it, want it, and feel aligned. To do that means spending enough time understanding value-adders and what they do so you can use the terms that have the right impact.

It is easy to make observations as an outsider when you don’t live in an environment every day. That’s why you can sense the ‘health of a home’ in seconds as it doesn’t take long to detect fear, lack of respect, etc. And a plant is no different, as its culture

is established by the sum total of the chemistries of all people abiding there. However, the major influence on the culture by far is that of management... And according to Stanford-based research, 93% of the meaning conveyed by management is conveyed by other than the words they use. The following simple checklist is not insignificant:

It can be applied at any level:

1. Would you honestly truly want – and be proud to have - your son or daughter working in your area?
2. How many times a day do you walk into the production area?
3. How many times this week have you stopped at a workstation and talked with the people?
4. How many times this week have you acknowledged a value-adder for excellent work?
5. **Are you such a good listener**, that folks listen attentively **to you** - even when you speak quietly?
6. How often do you sit in on report-outs from employee teams? Does someone from senior managers always sit in on every blitz outcome?
7. Have you spoken to everyone in your area of responsibility at least once in the last quarter?
8. Do you see examples of continuous improvement in every walk-about? Is it in your/their conversations?
9. Are there examples to be seen of waste being eliminated in every walk-about? Is this also in your/their conversations?
10. If you asked 3 people who their customers were, would they know? And would they know how they were helping those customers be successful?
11. If you asked 3 people ‘what is our vision’ – would they tell you the same answer? Would it be right?
12. Does your organization **have a reputation for its ability** to sustain achievements? If not, it is a symptom that people are **not** truly involved

If you have read this far – is there one of the 12 you’d select to implement over the next quarter? If there is – and if you do - email info@hpmconsortium.com with your results... Read on...

Things Leaders Do

Source: Fast Company, 03/31/2004

When GE’s CEO Jeff Immelt teaches up-and-coming leaders at the company’s famed management-development center, he runs through a checklist of what he calls “Things Leaders Do.” In an interview with Fast Company, Immelt reveals his own leadership checklist.

1. Personal Responsibility.

“Enron and 9/11 marked the **end of an era of individual freedom and the beginning of personal responsibility.** You lead today by building teams and placing others first. It’s not about you.” [Pg. 3]

Simple Yet Powerful Initiative Keeps IT & Enterprise Aligned at Gerrie Electric

According to the IT Team at Gerrie, it was a consistent challenge to balance an ever-increasing list of projects while keeping all systems running in an environment of changing priorities... **sound familiar, anyone?**

The turnaround began with a wide-open, 'no-blame discussion on who really were the IT Team's customers. And key to that discussion was keeping the focus NOT on just what satisfies the customers, **but what makes them successful.** From that point on, 'conversations for possibilities' stimulated a relentless flow of ideas & continuously improving solutions.

For the Team, they recognized the Management Team as their critical customer. That meant listening as never before if they were to make them successful by "putting wheels under their ideas". As they gathered the data – *the key step toward any world-class solution* – it became clear that the team was operating in 'fire fighter mode', with each call bringing a new challenge to be solved 'Right NOW'. In such an environment, it is very easy to take your eyes off the customer. However, once the data spelled out the magnitude of the challenge – they could not stop looking for solutions.

It became evident that most Managers were unaware of the other projects demanding attention from the IT members - and this lack of awareness sometimes caused conflict, weakened respect, and frustration. A first step was to agree that **each person should focus on the top three projects and drive them to completion [Note: See #2, "What Leaders Do" on Pg. 3].** The next step was to consider 'just what the top 3 were,' **and then** 'how to keep the Management Team members – their customers – up to speed on what projects were under way. Most importantly, to know just where on the 'solution cycle' they were at any point in time. The Team knew that the solution had to be simple and visual.

Selecting the simple P-D-C-A (Plan-Do-Check-Act) Continuous Improvement cycle developed by Drs. Shewhart & W. Edwards Deming in the '20's was easy because of its quick, simple, clean logic. Its simplicity enabled everyone to focus on the far more complex problems at hand.

An early step is shown below as "**Before**," where the Team placed in a "high manager traffic" area a description of each of the top three projects each IT Members was working on. Their CI energy began to think about ways they could 'make their message more visible' which resulted in the "**After**" board shown on this page. **From it, any Manager can see the priority of each project – and its status of completion – all at a glance.**



Before - Earlier Visual Mgmt Board

Here, the projects were captured on a single sheet with a brief description under each person's name



After – Using PDCA to Drive For Results

This is neat. Each disk (secured by Velcro, Pat/Stephanie) is adjusted to identify which phase it is in: P-D-C-A

How the "After Board" Works: IT Team Member, Bill White, is pointing to one of the colored disks that are colored, Green(Plan) – Yellow(Do) – Blue(Check) – Red(Act) – *the phases in the PDCA Continuous Improvement Cycle.*

Each Monday at 9am **a stand-up meeting is held right in front of this board**, and the past week's achievements , plus the coming week's priorities are discussed. At this time the disks are updated to reflect where each Member's projects are. In addition, in the top of the upper right column, is the number of projects at the beginning of last week (82) and the number outstanding at the beginning of this week (75). Just below it is the collection of "**Hot Items**" anyone can add to during the week so the team can deal with it all at the Monday morning meeting. All areas of IT are subject to a regular full 5-S audit. That score is recorded below the 'Hot Topics' and show a **3.2 to 3.4 5-S rating improvement.** At the bottom is a place for Managers to confirm they have seen it – you may be able to see the distinctive 'RS' for Richard Solonenko.

Under each project, there are three standard lines to provide an understanding at a glance of what the project-in-process is all about. Line 1 states the project's objective/purpose, Line 2 some details, and Line 3, the status comments.

Going Forward: The above board has achieved the IT Team's attempt to 'make visible.' They are now working on a simple at-a-glance explanation of what the data means so those new to it can quickly understand what they are looking at. *At Gerrie Electric, the IT Team has taken a leadership role themselves...* and in so doing are helping themselves – and – their internal customers succeed. For this, we extend the "HPM Acknowledgement of Excellence." Congratulations to Team Gerrie. Contact Jamie Elchuk or Bill White anytime at bwhite@gerrie.com for more information.

Accdrnig to a rscheearcr at Cmabrigde Uinervtisy, it deosn't mttar in waht oredr the ltteers in a wrod are, the olny iprmoetnt tihng is taht the frist and lsat ltteer be at the rghit pclae. The rset can be a total mses and you can sitll raed it wouthit porbelm. Tihs is bcuseae the huamn mnid deos not raed ervey lteter by istlef, but the wrod as a wlohe and the biran fguiers it out anyawy.

2. Simplify Constantly.

"I always use Jack [Welch] as my example here. Every leader needs to clearly explain **the top three things their organization is working on**. If you can't, then you're not leading well." (Note Gerrie article prev. pg)

3. Understand Breadth, Depth, and Context.

"The most important thing I've learned since becoming CEO is context. It's how your company fits in with the world and how you respond to it."

4. The importance of alignment and time management.

"There is no real magic to being a good leader. But at the end of every week, you have to spend your time around the things that are really important: setting priorities, measuring outcomes, and rewarding them."

5. Leaders learn constantly and also have to learn how to teach.

"A leader's primary role is to teach. People who work with you don't have to agree with you, but they have to feel you're willing to share what you've learned."

6. Stay true to your own style.

"Leadership is an intense journey *into yourself*. You can use your own style to get anything done. It's about being self-aware. Every morning, I look in the mirror and say, 'I could have done three things better yesterday.'"

7. Manage by setting boundaries, with freedom in the middle.

"The boundaries are commitment, passion, trust, and teamwork. Within those guidelines, there's plenty of freedom. But no one can cross those four boundaries."

8. Stay disciplined and detailed.

"Good leaders are never afraid to intervene personally on things that are important. Michael Dell can tell you how many computers were shipped from Singapore yesterday."

9. Leave a few things unsaid.

"I may know an answer, but I'll often let the team find its own way. Sometimes, being an active listener is much more effective than ending a meeting with me enumerating 17 actions."

10. Like people.

"Today, it's employment at will. Nobody's here who doesn't want to be here. So it's critical to understand people, to always be fair, and to want the best in them. And when it doesn't work, they need to know it's not personal."

Hot HPM Opportunities

- ☐ **April 13&14th 2-Day Increasing Shop Floor Lean Buy-in & Sustainability through practical high performance relationships...** This 2-Day condensed shop-floor complement to the 4-month "Practice of Leadership & Coaching" process provides your critical value-adders with the *common language, philosophies, and key skills needed to help lead a company's transition to world class*. It's hands-on, nuts & bolts; intensive workshop-style training for practitioners is presented by a practitioner with a strong, proven message and valuable perspective to share. Call 519-893-6260 or check www.hpmconsortium.com
- ☐ **April 27 & 28 (1.5 Days) Introduction to Lean Accounting.** This is the right course to get a solid understanding of just what Lean Accounting is all about – And what is required should your plant to implement it. If you have sent people to, or have attended the HPM Lean Accounting courses before, this one will provide additional staff with solid information. It has also been improved and updated with exercises that integrate to give a clearer picture.
 1. **For Best Value:** Consider sending your top Operations and Financial leaders together to this workshop. They will be asked to bring at least one Value Stream Map to the session to enable everyone to see the power of using Lean Accounting to determine the cost of coming Lean Projects – or to see first-hand how Lean Accounting can protect your investment in Lean
 2. **To be considered as a Pilot:** This is the LA 'foundation session.' Across Canada a limited number of companies (3-4) who want to implement Lean Accounting will be selected by Brian Maskell and Bruce Baggaley for coaching their Lean Accounting transition into operation.
 3. **Roundtable:** Late this year, a "Lean Accounting Roundtable" – patterned after last year's highly successful Roundtable at Wiremold – is slated for Canada, featuring the Pilot Sites selected and selected others. Bottom line, it will be a Roundtable of practitioners who will provide a goldmine of knowledge for those proceeding to implementation.
- ☐ **TBC (May 13th) – Oakville: New: "Forum on Technology" ~ limited to HPM because of the proprietary aspects of the presentations. Includes:**
 1. Engineer-to-order research "Beyond ERP"
 2. Use of technology 'duplicators' for instant prototypes
 3. Applying technology to cut order entry cycles
 4. Using technology as a 'Quote Engine' to expand power of sales force while producing shop drawings
 5. Thinking: Taking the front office to the customer... **More**