

Volume 11, Issue 49 □ December 06, 2004

Important Dates to add to your calendar...

- **Dec 7, 9-11am: HPM Member-to-HPM Member, Leveraging Tour.** Host: Hammond Mfr. Ltd, John Kehoe, Register thru Nicole 519-893-6260
- **Beginning January. A full schedule of HPM-to-HPM Employee visits – or Leveraging Tours – on the 2nd & 4th Tuesday of each month. Watch for the schedule through to June 2005.**
- **Jan 19th, 12:00-4pm HPM GMT Meeting,** all HPM Directors or Alternates invited.
- **Feb 16th, 11:30-5pm HPM AGM Board Meeting**
- **Apr 20th, 12:00-4pm HPM GMT Meeting,** all HPM Directors or Alternates invited.
- **May 18th, 11:30-5pm, HPM Board Meeting**
- **Jun 6-10 (2005): “Implementing & Sustaining Lean Thinking Across the Enterprise”** An AME major Practical Lean Conference in Edmonton. www.measureupforsuccess.com

America Recognizes Their Best... right from the top.

A far cry from our nation's almost invisible-to-the-average-person's recognition after the awarding of the Canadian National Awards for Excellence two weeks ago... The **2004 Baldrige National Award** winners were loudly – and proudly – announced last week in the US and recognized by national television & media.

Exemplifying the leadership needed to give direction - and leading the accolades – was the Nation's leader George Bush who stated:

“These organizations have been selected as exemplifying the qualities of excellence and ethics. They are being recognized for their continual improvement, their commitment to employees and community, and their enterprising spirit. Through their efforts, they help make America better and stronger.”

“One of the most dangerous forms of human error is forgetting what one is trying to achieve.”

– Paul Nitze

And the Winners Are...

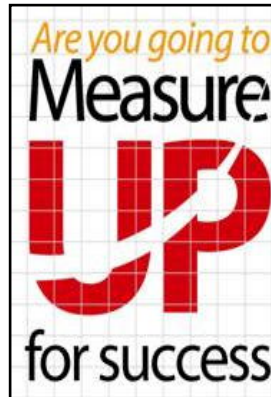
One of the 4 major winners is a good friend. Many will remember Rudy Giuliani from the Toronto conference – and many will also remember the person who spoke immediately prior to him. That man was **Dale Crownover**, the leader & CEO of Texas Nameplate - a small company in Dallas Texas. He tugged our heartstrings and inspired us with these words: *“It's not the product, it's not the equipment, it's not the technology – it's the people!”*

The Achievement

Few American companies have ever won a Baldrige Award - and you can count on one hand the number that have won it twice. However, now you can add Dale Crownover's company. In fact, his achievement this year marks the first time the Baldrige has ever been won a second time by a Small Business – and, his is the smallest company ever to win with 37 folks!

Winning Dale Crownover Coming to Canada

This example of leadership to North American mfg – in fact, mfg anywhere – will conclude Canada's largest Lean conference with Dale being the closing keynote speaker at the **June 6-11th ‘Sustaining Lean’ – the MeasureUP Conference in Edmonton.** He will conclude the conference on a ‘high’ just like Rudy Giuliani did at



the 2003 Toronto Conference. Keep an eye on www.measureupforsuccess.com for details.

This year's Malcolm Baldrige Awards Winners are:

- **Texas Nameplate Company, Inc.,** Dallas, Texas

HPM Members --- Visit other HPM Members *Tips To Get Best Results from a Tour*

HOST: Tour hosts will describe what you are going to see and what kind of feedback they'd like. Group sizes are kept small and the tour focus sharp. These **Employee-to-Employee Tours are 2 hrs on the Second & Fourth Tuesday of each month ~ From 9am – 11am.** Register through Nicole at 519-893-6260. The format:

- 1) Introductions to everyone... only 12 folks max.... Company overview
- 2) **The price you pay for this tour are the observations & Feedback Card you give back to your HOST**
- 3) As a visitor you will be asked to describe *‘What one thing might you take away and be able to use?’*
- 4) **Tour will consist of two components. Component A:** An area where things are working well... But where suggestions could make a good process even better!
- 5) **Component B:** A specific area where the host would like suggestions, ideas, experience, etc. etc.
- 6) **Wrap Up:** You will hear everyone's observations of **One highlight & one opportunity** for possible improvement...
PLUS - Each visitor will informally share one thing they liked and feel they might be able to use upon return.

- (small business category);
- The Bama Companies, Tulsa, Okla. (manufacturing category);
- Kenneth W. Monfort College of Business, Greeley, Colo. (education category); and
- Robert Wood Johnson University Hospital Hamilton, Hamilton, N.J. (health care category).

Christmas Gifts That Keep on Giving – Give a Book

Our colleague Gail Grimaldi, who runs the largest repository of Lean resources in North America (She is also the Productivity Press rep for Canada) is preparing her summary of the hottest – most purchased – books by Canadian mfrs in 2004. That will be part of our Christmas issue this year.

Below are some examples of books we have seen excellent use made of – and highly recommend them to those on the road to World Class.



By selecting gifts of value, you give something that will keep imparting value well into the New Year. Here's one.

Everyone who participated in the HPM Share Showcase received a copy of the excellent book - "The NEW Lean Toolbox" which was selected by the HPM GMT because of the value the book presents going forward.

About the Author

This book is written by our very good friend John Bicheno, Director of the MSc program in Lean Operations at the Lean Enterprise Research Centre in the Cardiff Business School at the University of Cardiff in Wales.

This centre was established by Dan Jones who collaborated with Jim Womack, founder of the Lean Enterprise Institute (LEI) in Brookline. This connection is important as Dan and Jim combined to write the #1 book "Lean Thinking" which is providing guidance today around the world. It too, is a top suggestion for Christmas giving.

John's connection with LEI provides a consistency as you might expect – and a practicality based on the understanding that in Lean 'results are achieved through people. This means that the **nearly 100 tools** in this extremely easy-to-read book are understand-able as evidenced by some of the world's best companies providing shop floor and office staff & leaders with copies to equip them to understand and accelerate the company's journey to lean. It is especially valuable for folks looking for a refresher in

both the principles as well as the process for applying tools they may have applied a long time ago.

Content:

- 10 Key Lean Philosophies & Lean Frameworks
 - 10 Value, Strategy, Planning & Deployment approaches
 - 09 Keys for Preparing for Flow
 - 22 Mapping, Audits & Analysis tools
 - 06 Approaches to Creating the Future State
 - 13 Additional Elements to Creating the Future State
 - 06 Key Elements of Theory of Constraints & Factory Physics
 - 04 Quality Concepts – e.g.: Bringing Lean & Six Sigma Together, Mistake Proofing, A framework for Lean Quality and Six Sigma
 - 08 Improvement processes and tools
 - 08 People & Sustainability fundamentals
 - 11 New Product Development and Introduction concepts and tools
 - 07 Lean Supply basics
 - 13 Lean Accounting & Measurements
- ... all this and a Lean Chronology from 1797 to 2003!

Total... 127 tools in this Lean Tool box... ideal for any CEO or leader who needs a grasp on what these tools can and cannot do.

Source: Call Gail Grimaldi at www.ocapt.com [HPM'ers and AfEE members should be sure to ask for your Consortium Rate]. HPM members can order direct from Nicole at 519-893-6260.



Another Practical Book By John "Cause and Effect Lean"

– An 88 page book that uses fishbone diagrams to capture at a glance the root causes typically producing a specific result. It is valuable as a checklist to ensure you have not missed a root cost you may have forgotten.

The unique approach of using fishbone diagrams, provides a guide that maps out the main tools, sub-tools, and the sub-sub tools of Lean, Six Sigma and Supply Chain issues. It is widely used in many countries as a book of value to shop floor practitioners who are just beginning lean or need a refresher – or, as previously mentioned, for use as a check to ensure they have not missed something. [OCAPT]



Never Overlook This One

This is the one that started the current revolution – "Lean Thinking" by Jim Womack and Dan Jones. The Second Edition is a must for serious folks. It is a non-technical book now being bought by Service and Healthcare institutions applying Lean Thinking to cope with the need to drive out waste everywhere. [OCAPT]

The Gemba Walk

Better quality may be just a short walk away.

During a trip to Japan, Ryuji Fukuda took me (Norman Bodek) to the Meidensha Electric plant outside of Tokyo and introduced me to the plant manager.

At 11:00 a.m., he sat near the window in the center of the room to be able to observe everyone else. He asked me to join him on his daily walk, which he told me was the most valuable part of his job.

The plant manager said: "Norman, I select a different theme for every walk, and this morning I'm going to look at the quality charts to see if they have a real purpose for the company and for the employees, to see if people are keeping them up to date, how they're used, who looks at them and when they're looked at. I want to find out the real value of those quality charts."

As we walked over to the first department in the plant, the supervisor came over to meet us. The plant manager then inspected the quality charts up on the wall. All were current.

The plant manager then asked a series of questions to the supervisor about the usefulness of the quality charts, including:

- Who's responsible for updating them?
- Do the other employees look at the charts? How often?
- What value do the charts have for the employees?
- Do our customers ever look at the charts? Do our suppliers?
- Do you think the charts have an effect on the overall quality of the parts being produced?

You could see the excitement on the face of the supervisor as he answered the questions. I learned there's enormous power in the leader asking questions and then just listening carefully, not judgmentally.

When the plant manager looks at something with real interest, the people in the plant are interested in supporting the plant manager. They think, "***If those charts are important to our plant manager, then they must be important for us to keep them up to date on a regular basis.***" When the reverse is true and the plant manager shows no interest in something, there is often a tendency for that to just fall apart. They think: "***We have so many other things to do. If the plant manager doesn't look at those charts, they're probably not very important.***"

There was real learning going on as the supervisor was explaining the importance of the charts and how they played a vital role in the whole quality movement. To the supervisor, the charts were like a scorecard at an athletic event. Imagine going to a basketball game in which there is no score being kept. You would probably leave after a few minutes. In the plant, we need both targets to shoot for, and we also need to know the score to see if we're meeting or exceeding those targets.

I could see the real power in this walk; it was a learning experience for the manager to be educated by his supervisor and employees. By selecting a different theme for every walk, he would eventually cover all of the important aspects of running a plant. By asking questions, he encouraged his employees to understand the importance of their work. ***In reality, he was letting them run the plant—his job was to be the reminder, the catalyst, to see that everything was being kept up to the highest possible standard.***

As the leader, the plant manager sets the tempo and sets an example for the plant. It's up to the supervisor to follow the plant manager's example when he/she talks to the employees—to ask them questions and not always give the answers. This gemba walk was a great communication device, and I could see why the plant manager considered this the most important part of his job.

After we completed the entire walk, which took about one hour, we came back to the office area. Because there was a lot of learning, and the first departments didn't receive feedback from the latter departments, the plant manager wrote a summary memo to post on the bulletin board to share everything he learned with all the employees.

Not everything was perfect. There were a number of problems to solve and new things to consider, and he included those in his memo and left it up to each supervisor and the employees to find a way to get those new things done.

The power in the gemba walk lies in:

1. Selecting a theme for each walk
2. Questioning the supervisors
3. Listening attentively. This is a learning exercise for the manager.
4. Sharing what you learned as you walk through the plant
5. Writing a short memo on what you learned and posting it for others to see
6. Following up to monitor progress

Source: **Kaikaku: The Power and Magic of Lean**, Norman Bodek, www.ocapt.com, www.superfactory.com

The power of Consortium-to-Consortium exchange... a tip of the HPM hat to Don Breakey, facilitator for the MCME Consortium (Manitoba Consortium for Manufacturing Excellence) the first of three – and soon to be 4 consortiums in this dynamic city!!