

**Volume 14, Issue 46**   **November 12, 2007**

### Important 2007 Dates to add to your calendar...

- Nov 13<sup>th</sup>, 9:00-12:00 pm. HPM 5S SIG.** Host: Tempress, Mississauga
- Nov 20<sup>st</sup>, 10:30-4:30 pm. HPM Board Meeting.** Host: Nexans, Fergus
- Nov 27<sup>th</sup>, 8:00 am. Building a Lean Culture: David Mann,** Host: RIM
- Dec 5<sup>th</sup>, 9-5:00 pm. HPM Share Showcase.** Location: Father David Bauer Centre, Waterloo
- Dec 11<sup>th</sup>, 8:00 am. HPM Management Training: Session 3, U of W**
- Dec 17<sup>th</sup>, 9-12 pm.. HPM Health & Safety SIG,** Host: Velcro, Brampton
- Dec 19<sup>th</sup>, 8:00 am. HPM Management Training: Session 4, U of W**
- Jan 03, 8:00 am. HPM Management Training: Session 5, U of W**

**Quick Update: The final count of the number who signed up at the Chicago Conference is:**

## 811 Coming to Toronto

*This is by far an all time record over the 23-year lifetime of AME International Conferences.*

*This will be the third time in 24 years it will be in Canada with the first being in Toronto in 1998 with Dr. Steven Covey, and again in 2003 with Rudy Giuliani (not to mention the SARS episode)*

## Watching a World Class Organization in Action

### The Background

In striving to be 'World Class' all we have to work with are People, Processes and Technology/Equipment. And those that find ways of combining these three elements while focusing on their customer's success will outperform their competitors. It matters not whether you are running a hot dog stand or a huge hotel. Most principles are the same.

The Chicago Hilton is a very large hotel of over 1,500 rooms combined with 234,000 square feet of conference space. It's a little like an ocean liner on land. But what was impressive to your editor was the precision with which facilities were transformed by an army of highly motivated ant-like and purposeful workers.

### The Outcomes

Being a customer of the hotel, one gets the chance to see the rubber-hitting-the-road outcomes (if you look) such as how all services are provided. While they were impeccably delivered everywhere, what I found most impressive was cheerful, honestly helpful, self-confident people who made direct eye contact with you as they expressed a cheerful Good Morning or other acknowledgement. And they did it 24 hours a day – and it came from people at all stations in this complex. All you had to do is appear as though you were unsure and they were upon you to provide help.

In the security office I asked to photograph a poster entitled: "WOW Service Basics" but was told I needed to get approval. So off I went to the executive offices of this huge hotel to get a copy. As I encountered the reception desk the receptionist just received an urgent call and asked me if she could locate one of the top executive to respond to the call. I said fine, off she went.

As I stood there executives were moving in and out of the office area and every one of them, seeing me standing there, stopped to see if I needed help. In fact it got almost to humorous by the 8<sup>th</sup> or 9<sup>th</sup> time I was asked that I was thinking of pinning a sign on my chest saying I was being looked after. When she returned I told her how impressed I was with the hotel, after which she scurried away and came back beaming. She said 'this is our bible' -- this is what we live by and we even coach each other on when we slip. Those very words said a lot to me as they indicated the existence of a top management who must be relentless in

### WOW Service Basics

1. Greet all guests and team members.
  2. Use the guest name.
  3. Listen without interrupting.
  4. Answer the phone in 3 rings.
  5. Provide guests accurate information.
  6. Confirm satisfaction.
  7. Take ownership.
  8. Be empathetic.
  9. Say "Thank you" and invite guests back.
  10. Help keep the Hilton Chicago clean.
- \* ECHO every contact has opportunity.**

*"Leveraging learning for customer success"*

Making World Class Make Sense

walking their talk as well as their commitment to training while building a team-based environment where everyone looks after each other.

The above condensed set of guidelines that they live by and refer to as their "WOW Service Basics," is supported by – what else – a CAN DO ATTITUDE **which is very much related to Henry Ford's CANDO steps which are now 5S.**

When you look at them – think of how you might apply some or all of them to your own environment. Here they are...

### **Helping every guest and team member be their best**

**C**lean and in good order  
**A**nticipate – the needs of our guests  
**N**ever say "No"  
  
**D**o it with the guest in mind  
**O**wnership of guest requests  
  
**A**sk – questions  
**T**eamwork  
**T**ake pride in the Hilton Chicago  
**I**nitiative  
**T**ake immediate action  
**U**se the guest name  
**D**evelopment of our Team Members  
**E**mbrace our WOW culture

One of the major tours by the attending manufacturers was a full scale look at how a huge hotel does its processes.

## **Manitoba Consortia Initiative Exploding – Fastest Growing in North America by Far Sixth Consortium forming now**

The Manitoba Canadian Manufacturers and Exporters Advanced Manufacturing Initiative (AMI) hosted a very successful Lean breakfast in Winnipeg last month to test the waters for the city's unprecedented **6th Consortium** – the largest concentration of Consortia in North America.

Manitoba manufacturers would seem to be genuinely hungry to learn more about Lean business practices – and especially how to put them to use to compensate for what parity has been doing to their margins. The turnout for the session was almost triple the 30 or 40 mfg. practitioners that the organizers had expected. As it turned out, 109 very interested manufacturers came to hear the keynote speaker

### **Dumb questions are the beginning of new understandings**

(your editor) and a wide range of excellent case studies presented by the companies who had achieved significant results through their consortium activities.

Manitoba manufacturers have embraced Consortia more aggressively than in any other location. Their growth and leadership is by far the best in North America with the runner-up being the Jacksonville Florida Consortium which now has three Consortia of some 17 members each.

The forum began with a focus on Lean thinking that stressed the need to define Lean manufacturing properly. Unfortunately, it was confirmed that most describe Lean as the 'elimination of waste,' and while that may be fine for the short term, a much more accurate and productive definition for the long term is "The elimination of waste EVERYWHERE while adding value to your customers (both internal and external of course)". That word EVERYWHERE is key because the waste elimination must be enterprise-wide and certainly include accounting, engineering, sales, and even in the president's office too. The speaker stressed that – "The overly simplistic definition works until **employees discover that Lean is nothing more than another waste elimination program** and that's just wrong. By bringing in the customer a world of difference occurs," he concluded.

Adding value means needing to understand what your customer values. "It is your customer's perception that is the only assessment of the value you bring that really matters – And that means listening to your external customers like never before - the ones who are buying your products or the internal customers who are building your products and are the next step inside your plant," he added.

He stressed the "power of outside eyes" to see waste. "We don't see 50% to 70% of the waste inside our organization because we are living in it. However, the key to implementing Lean practices is "people, people, people, people." According to the widely respected **Dr. Dan Shunk**, "**lean is a people-focused process.**" And it's all about achieving results through people, which requires a dramatic culture change for most firms as it needs high trust development and the rapid growth of a no-blame environment.

"Unless you have an accountability-rich no-blame environment, people will just hide their mistakes. And when that happens, the errors get hidden. Defects are nuggets of pure gold if you are thinking right," emphasized the speaker. He went on to clarify that thinking is the key to success in Lean because Lean really is a state of mind.

He noted that defects are produced every day but few folks recognize that the defect produced has been produced by a process perfectly configured to yield it. Hence to better understand the process and correct it we should rejoice when provided with defects 'for they are the voice of the process speaking to us if we would only listen. In today's world you ignore this voice at your peril.

In response to discussions with several top leaders 3 weeks ago- here are some answers I promised to share:

## TIPS: Implementing Lean ~ Steering Committee Responsibilities & Role

### Quick Overview of Lean Steering Committees (SC)

**Lean Steering Committees exist to do just that.** They begin to make sense when a company is large enough to accommodate them – say in the 100 to 10,000 employee range. The bigger a company gets the more effective communication & clear standards pay off. Here, SCs can help. Putting an SC into a small company where there just aren't enough heads does not make a lot of sense. In those cases the function they provide is carried by the Management Team. Management Teams exist to keep the company healthy and hence have to make ugly decisions from time to time. Such decisions can hurt a Continuous Improvement culture. Setting up a SC dedicated to the health of CI Teams makes sense. Common

#### Functions of Steering Committees:

- To ensure that the team outputs are standardized and aligned with the business objectives of the company as well as the vision and mission
- To ensure the ongoing health & vitality of Continuous Improvement teams
- To minimize the waste of duplication of effort
- To foster standardization of Continuous Improvement problem-solving processes in the workplace
- To coordinate ALL Team activities across the company and ensure a uniform workload
- To give Teams the support of management with a focus on long-term results & Continuous Improvement

#### Links to the Steering Committees

The "S" icons below refer to "Sponsors" who link the CI Teams to the Steering Committee which contains strong representation from Management. Sponsors don't sit with the employee Teams as they would be intimidating – but they do act as resources who are 'sounding boards' and advocates to management for the Teams. The other elements below include "Natural Work Groups" which are often renamed from the traditional designations of 'Machine Shop' – or any other name where folks in that area are part of a 'natural' work group. Project Teams (or Task Forces) are simply short-term teams put together to solve a specific problem. The CI Teams of 6-10 people focus on a specific thrust and will get stronger as time goes on.

### A Typical Lean Team Structure

