

Lean Management's Coming of Age 2009 - Business Values: Customers First

At some point during each decade of our 30+ year careers, Lean Management has emerged as “the answer” to improve the overall quality of US business performance. However, despite a track record of success in some high-profile organizations, Lean has not been embraced by a majority of companies and remains “...an obscure topic in most undergraduate and graduate degree business programs.”(1). Well, Lean has become “hot” once again, quite understandable given our nation’s current economic downturn. Enhancing productivity and controlling expenses through the “relentless pursuit of perfect processes through waste elimination” has perhaps never been more necessary during our lifetimes, especially in healthcare (2).

The Key Questions: *“Having spawned thought-leader institutes and national organizations, and associated by most with Toyota’s success, why hasn’t Lean caught on in a bigger way since its US renaissance in the late 1970s...and what can be done to help rectify this?”*

The 2 Key Answers:

Answer #1 - Many executives don’t understand Lean’s micro and macro process improvement value. With regard to specific company processes (micro), execs almost always delegate Lean Management implementation to mid-level managers/directors. Sustainability becomes difficult, as it is these same middle managers who are left to navigate the minefields associated with “post-kaizen” change-management resistance. Additionally, most executives do not have experience applying Lean principles to improve macro-systems level processes, including that most important mission-critical “process” of them all - organizational leadership. This renders executives unable to act as visible Lean champions with aligned communication, accountability and talent management infrastructures, key prerequisites for change sustainability (3).

Answer #2 – The majority of US leaders understand Lean to be a continuous improvement methodology primarily focused on improving productivity through systematic waste reduction. **This is not accurate** and may largely explain why Lean hasn’t caught on in a bigger way. Of **equal**, and **co-primary value**, is Lean’s focus on **respect for people** (4). This co-equal top priority extends beyond involving staff on continuous improvement teams, to include how managers treat and lead the people they are charged to serve. **The solution:** A Lean leadership system which integrates operations, quality and talent management – and which can be customized, given an organization’s unique language, cultural strengths and change-readiness status. Lean has come of age...the solution is here: **Business Values: Customers First** (4).

Business Values: Customers First (BV:CF) is a managerial science innovation which improves organizational effectiveness by eliminating the waste associated with strategic and tactical leadership complexity, and which has top value for people respect. **BV:CF** incorporates Lean principles to deliver a customized and sustainable “performance improvement-measurement-management” leadership system. What follows is a synopsis of select **BV:CF** system elements, which can be implemented in any organization, in whole or partially, based on unique company needs.

Typically, BV:CF initially engages top executives in success-measures driven value-stream mapping exercise - which segues into refining company vision and strategic scenario planning. Once the organizational strategy which best drives performance excellence is selected, an executive champion is named and standard conjoint BV:CF advisory groups consisting of managers and staff together are formed and scheduled.

BV:CF advisory groups are briefed regarding the company’s refined vision, strategy and success measures - and are empowered to identify those specific measurable behaviors necessary to best achieve success outcomes. These behaviors become the organization’s performance standards going forward, and inform all aspects of the talent management continuum, employee selection and performance coaching through annual evaluation. These groups also draft all-company communication bulletins, sharing current BV:CF news and inviting input from all interested parties. All employees come to know the company’s basic strategy and measures of success.

On a parallel track, all leaders participate in a unique development and team building experience, 5Cs Leader Training, which teaches advanced leadership and coaching skills. At least quarterly, all employees participate in performance coaching sessions, which serve as a Lean-BV:CF communication and accountability infrastructure. Coaching dialogues are flexibly structured to focus on success-measure behaviors and employee improvement suggestions. Coaching also helps proactively manage the socio-emotional component of all workplace milieus, which can significantly influence outcomes related to change management and “relationship complexity”.

With regard to healthcare, BV:CF’s Lean leadership orientation could do much to improve this industry’s chronic problems with avoidable medical errors, clinical variation, patient dissatisfaction and employee disengagement. Accordingly, a unique healthcare application of BV:CF has been developed and beta-tested, named Healthcare Values: Patient Safety First (5). This novel healthcare management approach hardwires communication/collaboration excellence (leading cause for medical errors, hospital acquired infections and people dissatisfaction) and develops leader-coaches, who engage and empower line staff through ongoing structured

coaching dialogues. In essence, coaching sessions “become” the hospital’s communication and accountability infrastructure, continuously informing managers about improvement opportunities and reducing the complexity associated with supervision in healthcare’s high risk/pressure environment.

In summary, BV:CF effectively manages and sustains Lean transformational change. In truest essence, BV:CF is Lean leadership. For any organization to sustain performance excellence over time, management must provide great leadership and staff must be engaged and empowered to be successful. Decades of history has taught us that wanting this to happen, and having committed managers and staff with Lean training, is not enough. Lean must be championed by executives who are supported by an integrated and aligned leadership system, which “talks and walks” top-priority co-equal value for both continuous improvement and respect for its people.

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References

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