

Thinking Outside the Toolbox: Evolve's View of the Lean Journey to Results

Many organizations have embarked on a Lean Journey only to get caught in the "Lean Toolbox" paradigm. The logic of this paradigm is as follows: *If I train people in a core set of Lean Tools and Techniques and challenge them to find improvement projects and follow a structured problem solving approach then results will follow.* This approach often disappoints and rarely takes the organization to a new level of performance.

These organizations, in an effort to make the Lean Journey *visible*, will then start measuring inputs, such as the number of people trained, projects launched, value streams mapped and *kaizen* events held. They might even set individual objectives related to these inputs. This drives behavior around maximizing these inputs and stakeholders across the organization soon start to move from being skeptical to being *critical* of the well-intentioned efforts to build a culture of continuous improvement. One leader we spoke with about her organization's Lean Journey quipped, "Never in the course of our company's history has so little been achieved by so many!" In short, a paradigm of equipping people with tools and unleashing them onto the organization to deliver very confined and discrete projects that rarely cross functional boundaries is bound to lead to low organizational uptake and dubious business results.

There are good reasons why this approach has limited benefits. High value, sustainable change tends to be complex. This requires leadership focus and commitment and the engagement of a wide set of stakeholders, often across functions. Individual practitioners usually lack the authority, vehicle, bandwidth and skills to apply Lean to a strategic change on their own, particularly when most of the organization will naturally work to preserve the status quo.

At Evolve, we believe that a Lean Journey involves much more than a group of well-trained, capable individuals and a strong set of tools. We believe that, in order to *truly* effect a Lean Transformation, one must take a more holistic and situational approach. We have found that by taking such an approach Lean Transformations have yielded business performance that at one time was not believed possible. Additionally, and in our view more importantly, the capability of the organization was accelerated to a degree that enabled the ongoing improvement long after the withdrawal of external support.

CASE STUDY

Sour Gas Processing Plant – Developing a Lean Culture

Our client, operating for over half a century in Southern Alberta, recognized the need to make significant and sustainable shifts in unit operating costs.

- The leadership team tapped into change agents, to engage the wider population around a compelling Lean Vision for the plant.
- Evolve worked with people at the gas complex to examine for themselves, the operations.
- We applied Lean Principles in a holistic approach to create a significant step change in performance.

RESULTS

\$11M

Sustained
OPEX reduction

25%

Reduction in PM
hours from annual
maintenance
schedule

16%

Decrease in unit cost



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To illustrate this holistic approach to Lean Transformations we look at the journey through the lens of our Organizational Space™ Model. Let's examine each layer in more detail and how it applies to the Lean Journey.

Results:

The Lean Vision or Goals must be clearly articulated.

Is the Lean Vision compelling? Are people emotionally connected to it? Is there clarity and ownership of results? Are targets meaningful? Is there a compelling case for change? Are we putting the customer first and do we understand their needs?

Process:

Processes describe "how we work" or "get things done" as an organization.

What is the understanding and ownership of key processes? Do we understand performance losses and levers for improvement? How do we remove waste and complexity and maximize flow in cross-functional processes? Is there a robust way to capture ideas from the workforce to continuously improve the way we work?

Management Systems:

Management Systems are the mechanism by which we report on and control the way we work.

Do Management Systems connect and align activities? Are roles and responsibilities clear? Do we apply leader standard work in an effective practical way? Are the right data, KPIs and meetings in place? How do we connect information to action and follow up? How do we communicate plans? Is visual management a generally accepted practice?

Leadership Behaviors:

This is where the leaders can make the difference between compliance and commitment.

Do your leaders own and drive the Lean Vision? Are your leaders making the appropriate interventions to drive results? How do your leaders interact with their people and with each other? How do leaders develop other leaders? Are they leveraging Lean Methodologies to help people solve their business problems for themselves?



Organizational Space™

Change and Learning:

Changing to new ways of working is a cultural shift. This change results in learning and developing new capability through repeated practice.

What is the understanding of what is required to make sustainable change happen? How do leaders see their role? What support do they need/get? How will we create the environment for learning? Are your people developing new capabilities? Does the culture support the relentless search for better ways of working?

Getting outside the Lean Toolbox, and approaching a Lean Journey in this holistic way allows an organization to fully harness the power of Lean. Real transformation takes place, people develop new capabilities and organizations achieve greater performance than believed possible!

About Evolve

Evolve Partners helps clients to deliver improvement programs that create extraordinary performance and the capability to achieve further results in the future. We work with premier clients as they deliver improvements in results, business processes and management systems while we coach them on getting the learning, change and leadership interventions right. Our approach excites people and opens them up by connecting learning experiences to the challenges that are at the forefront of their minds. As a result, people flourish, changing their beliefs about what's possible and learning to get better at getting better. Evolve - The Art of Implementation®.

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