

THE WAY TO LEAN

Becoming and remaining
a Lean business



LEANER OR MERELY THINNER?

The term 'Lean' is one that is often used by managers and executives to describe their organisation; either the one that they perceive they have or the one that they aspire to. Frequently the term is not very well understood – viewed primarily as running business and operational processes with as few people and the minimum equipment as possible.

A Lean operation is considerably more than that. Applied correctly, Lean is a highly structured and disciplined philosophy that eliminates waste across seven defined categories (more about these shortly). It improves operating systems to reduce costs and inventory, and adds considerable value to assets, materials and labour. Unlike mere cost cutting, Lean aims not just to reduce expenses, but to have a strong and positive impact on quality, customer service, speed to market and profitability. And to do this sustainably and consistently.

This document looks at what it takes to become, and to remain, a Lean operation.

HOW THE MACHINE BECAME LEAN

Lean has been in use in large corporations since the 1950s. Initially based on the well-publicised Toyota Production System, it became a significant part of US business culture. (The Japanese version, Kaizen, shares many of the same principles.)

The US manufacturing industry was the first to embrace Lean outside of Japan. It came to their aid at a time when international competition was hotting up and customers were looking for better quality and service, more innovation and lower costs. Lean spread rapidly across the manufacturing sectors – everything from cars to cosmetics – and achieved impressive results. Among these were cost reductions of between 15% and 30%, reduction in floor space of up to 50%, increased productivity of 30%, improved safety and housekeeping, improved quality, reduced lead times by up to 90%, reduction in inventory by up to 25%, improved order fulfilment (DIFOT) and better employee collaboration and involvement in business improvement.

Following the successes in Japan and the US, Lean was taken up by manufacturing companies in other parts of the industrialised world. In the 1990s, Lean jumped the fence into other sectors, such as financial services, healthcare and logistics. These industries are experiencing similar results.

WHAT'S THE PURPOSE AND WHAT'S THE GAIN?

Improvements to operations will only make sense if they align to a broader business strategy and are ultimately perceived by customers as bringing benefits to them.

One of the fundamentals of Lean is to link what you do in your business to what your customers gain as a result. Generally that should tie in neatly with your broader strategic goal – whether that is to become an absolute specialist, increase sales and market share, increase the range of products or the frequency with which customers purchase from you, lower your production and operating costs, improve product and service quality, bring innovations to customers sooner, reduce the need for rework or open new markets.

Viewing processes from a customer's perspective tends to sharpen the focus on what is worth doing and what is not. If moving a product three times around your factory brings no benefit to your customers, that process may well be a burden that adds costs without adding value. The same goes for paperwork processed through more hands than needed, goods packed and unpacked in different warehouses along the distribution chain, or the requirement for hospital patients to fill in virtually identical forms at each department they visit.

MORE WITH THE SAME OR LESS

Excess inventory can have a serious impact on cash flow and add to the cost of working capital. It also tends to hide or disguise operating deficiencies.

Lean operations enable greater throughput using the same, or fewer, resources. That can be anything from more loans processed without investing in more people or IT systems, or more light bulbs or lawn mowers manufactured without funnelling capital into additional equipment. Frequently this is brought about by freeing production capability previously lost through unavailability of equipment (breakdowns or maintenance), by removing unnecessary steps that consumed time and caused frustrations, and by better organisation, so that each step is ready for the next without bottlenecks and waiting times.

This rapidly flows through to a reduction in inventory. Excess inventory can have a serious impact on cash flow and add to the cost of working capital. It also tends to hide or disguise operating deficiencies. Once the disguise is removed, the flaws become easier to see and, by default, easier to remedy.

UP GOES THE QUALITY

As with inventory, shedding clutter and unnecessary work lays bare any problems in the production process; what was previously hidden often becomes glaringly obvious. The causes of quality fluctuations become far easier to spot – and to rectify – which in turn removes even more superfluous activities and the cycle of improvement goes on.

OLD AND NEW – TO MARKET SOONER

Delivering products to customers becomes that much easier and that much faster. If you don't have constant rework, and if you don't have to make 50 products in order to have 35 good quality ones, bottlenecks disappear, machine time is freed and orders that took weeks to fulfil can be cut to just a few days.

The same benefits apply to the speed with which new product and service lines can be developed, tested and brought to market. Managers who spend less time worrying about production problems can devote more time to innovation and improvements, and to understanding what customers really want. And with the right behaviours and tools to call upon, research and development processes can be shortened, and more people and equipment can be made available to test and refine new ideas.

THERE ARE SEVEN CATEGORIES OF WASTE THAT ARE DEEMED TO ADD NO VALUE TO CUSTOMERS:

- Overproduction
- Waiting
- Unnecessary transport of materials
- Unnecessary movement of people
- Overprocessing
- Excess inventory
- Producing defective parts or products

SO WHY ISN'T EVERYONE?

Given that running a Lean operation is a good thing, and that the business and financial benefits are both substantial and proven, what prevents businesses from successfully adopting Lean philosophies?

Most organisations face the traditional set of hurdles in undertaking a Lean programme; lack of time, lack of available management and resources, urgent problems to attend to – we'll do this later, managers with competing agendas and different operating philosophies and so on. The reasons that organisations fail to become the Lean machine that they aspire to are many and varied. Here is a handful:

There is a large and fundamental gap between managers doing the best they can with fewer people, smaller budgets and less assets, and having the structure and mindset to constantly eliminate waste, reduce inventory and bring products to market faster.

NOT EVERY CUT IS A LEAN CUT

In many companies managers perceive that they are already running a Lean operation and that they have cut or have identified all of the waste. They may be far from the mark; cost-cutting alone is not enough to set an organisation on the road to becoming leaner.

In a typical cost-cutting scenario instructions are sent from the top announcing a percentage trim in budgets. Managers reduce their expenditure accordingly. While cropping the number of people on the payroll or cutting back on travel costs may achieve the immediate financial goals, this is frequently at the expense of other business attributes; such as new product development, responsiveness to customers' needs and requests, market share, development of internal skills and resources and, all-too-soon, profitability and shareholder value.

This type of budgetary cut is often viewed, especially by employees, unfavourably. It is perceived as short-term thinking and of having a negative impact on the business. Already stretched, managers and staff are asked to do more with less, leaving them with insufficient resources for better planning, operational improvements, innovation, problem-solving and customer service. More like an amputation than a quest to improve the health and future of the business.

When the cynical view is pervasive, people tend to look for ways around the system and become more insular in their standpoint- seeking to protect their own position rather than seeking ways to improve the overall profitability of the organisation.

GOOD INTENTIONS

Implementing a successful Lean programme requires much more than just ticking all the boxes; it requires a highly effective strategy and the discipline to make it work.

Organisations embark on a programme to make their operations Lean. The management team have the goodwill and enthusiasm to get things underway. However, once that initial euphoria has passed the details become increasingly difficult to handle. Managers who have been asked to work on the Lean programme in addition to their day job find that they don't have the time or energy for both. Tasks are delegated to others who either don't commit or simply don't have the necessary skills and experience.

The consequence is that work is poorly implemented, key items are overlooked and meanwhile deadlines are missed, results are nowhere near expectations and the more the pressure builds the less effective the programme becomes.

IT DIDN'T WORK THEN SO IT WON'T WORK NOW

Despite all the above, it is usually the programme that gets the blame, rather than the fact that it was not well executed.

Managers who have experienced failure either within the organisation or at previous workplaces will, not unreasonably, lack a strong belief that a Lean programme will succeed. They may actively oppose it or merely go through the motions of supporting it; without commitment and overtly or covertly conveying their lack of enthusiasm to their team and peers.

Without the necessary support right across the operations, this quickly becomes a haphazard approach. The programme is implemented effectively in one area and ignored in another. Or it is replaced with a localised solution that pays little heed to the rest of the supply chain. The cumulative benefits are lost and the impact is minimal. Instead of gaining a large competitive advantage through better and lower cost products, organisations may merely achieve, for example, an improvement in machine utilisation or lower their maintenance costs. A benefit, but an isolated one. Hardly enough to justify all the preceding fanfare.

BIGGER, FASTER BUT NOT RIGHT

Regardless of how much a process is made more efficient, if it's the wrong – or an unnecessary – process the benefits will be minimal. Or worse. It is not uncommon for managers to devote considerable energy to improving an aspect of operations of importance to their role or career. Or for organisations to invest a large amount of money in IT systems, infrastructure or machinery that effectively institutionalise a process or practice that in reality they would be better off without.

By way of example, a manufacturing company put considerable effort into equipment and process changes to continually break down work structures. The aim was to achieve one simple activity that people do in the belief that this would bring about ultimate efficiency. The gains were illusory and not sustained. And although the process did not improve effectiveness, it succeeded in making employees disgruntled – which caused a reduction in their attitude and a drop in productivity. In the final analysis, all the hard work cost a lot more than it delivered.

Note: Subsequently the company embarked on a Lean programme. Working closely with employees and applying Lean principles, equipment layout was improved, time to complete batches reduced, work in process fell dramatically, quality improved and the employees held their own meetings to continually improve the process.

Have you considered?

- the cost of doing nothing?
- whether your organisation is accepting of change or whether it needs to be imposed?
- what programmes you are currently undertaking and what value they are delivering?
- who and what is likely to block change?
- if your management understands the difference between being Lean and cutting cost?

SO WHAT DOES IT TAKE TO BE LEAN?

Changing to a Lean operation requires a permanent shift of attitude, with everyone stimulated to engage in the search for potential improvements. The route is fairly straightforward if you know where the key points are and how to link them.

Becoming Lean is a disciplined and methodical process. It requires broad participation; a Lean operation cannot be achieved merely by hiring external experts and handing them the task. Equally, as with achieving personal fitness, Lean is an ongoing pursuit.

RIGHT FROM THE START

From the outset, the manner in which you resource the project has a material impact on its success. The core project team has to be skilled and trained – with the knowledge to question, collect and analyse data, and the credibility to communicate with, involve, induct, coach and inspire others. They will be required to work with and to actively involve most, if not all, employees in the operational environment (and some employees in support departments) from senior manager through to individual operators.

Within the team there should be a mix of experienced leaders with substantial experience in implementing a Lean programme, managers with intimate knowledge of the business and, ideally, some rising stars with high potential as future leaders and who regard the opportunity as worthwhile for the business and for their careers.

SHORTCUTS?

Understandably, executives and boards are keen to see fast results. But there are no shortcuts. Lean is a major strategic commitment and adequate time is required to plan and execute a programme. Unrealistic expectations and pressure for instant results are likely to do more harm than good – damaging the programme and the potential gains.

That said, a well-managed Lean programme, executed efficiently, should create substantial and visible changes within three to six months. After that point, and depending on the type of operations, companies can expect to start banking the return on their investment.

People are often good at making the initial changes, but not always as good at making them stick.

DO IT WELL

Key to this is quality and discipline. And the importance of both should never be underestimated. The work has to be mapped and executed methodically, not mechanically. It demands time, focus, attention to detail, attention to people, access to all the right tools and techniques, the knowledge of which to use when and why, and above all an understanding of what will generate results and what will merely generate activity.

Along with quality comes credibility and a benchmark. It is easier to inspire people to adopt Lean thinking – operations that are free of waste and errors – when the programme to implement it is an embodiment of that.

MAKE IT VISIBLE, MAKE IT STICK

Management and employees are often sceptical or, at a minimum, hesitant about joining in yet another business improvement initiative. Most organisations have seen many and the results have rarely been at the level of the promises and predictions.

For a Lean culture to take root it is not only important to gain early wins, but for the benefits to be highly visible and clear to everyone. The obvious physical improvements are the ones to aim at first; reductions in inventory, removal of clutter such as unused equipment or parts, elimination of unnecessary and time-consuming activities, fixing problems that the workforce is passionate or frustrated about – issues that have been highlighted in the past but never addressed.

This not only encourages early and widespread support, it helps bring about the commitment (the somewhat clichéd but very necessary ‘buy in’) that ensures that changes stick – that there is no regression to the work practices and processes that Lean is intended to transform.

Once the behavioural and operational changes are in place, there needs to be a concerted effort to sustain the momentum. People are often good at making the initial changes, but not always as good at making them stick – they have the will, but not the knowledge. Top down support is required and needs to continue throughout the organisation’s hierarchy; positive reinforcement, support of managers, support by managers and the provision of the right level of coaching to staff.

Have you considered?

- whether you have adequate resources?
- whether you are allowing adequate time?
- whether there is sufficient commitment for a Lean programme to stick?
- whether there is sufficient management discipline?

DEVELOP A STRUCTURE FOR SUCCESS

An important starting point for any organisation embarking on a Lean programme is to ascertain who is accountable for making it a success. Then build a structure and allocate the resources that will enable that success.

Clearly any new management philosophy should be directed by the executive team that drives the business – the highest levels of the organisation’s management. However, even the most charismatic and effective leaders cannot bring about change on their own. There aren’t enough hours in the day. It is necessary to establish a stable structure with transparent levels of authority and accountability, along with a formal reporting mechanism.

This structure should be used to establish who has executive responsibility for key decisions (such as the selection and resourcing of projects), how those decisions will be made, and to distinguish between the roles and responsibilities of the programme sponsor, owner, manager and subjects.

Once those roles are established, there needs to be a mechanism to coach and mentor the occupants. In most instances, this will be a new experience for them and they are likely to encounter barriers and objections that they are unprepared for and can’t find answers to in the text books. It may not take much to knock them off course. Equally, it may not take much to set them right again.

PROJECT TEAMS OR A LEAN DIVISION?

Project teams are an essential part of maintaining and developing organisational knowledge at the operational level. So, in general, there is little benefit in establishing a Lean division (knowledge can often get lost there), other than as a supplier of technical and technique resources and as a supervisory function to ensure the integrity of the process. It is all too easy for a specialist division to become an outrider group, isolated from the mainstream of the organisation and a sole arbiter of which projects to undertake.

Clearly this also concentrates skills in one area – not the most effective way of making Lean a part of the organisation’s culture.

Lean teams should ideally be assembled to achieve a particular task, taking responsibility for leading the project and executing the plan. And then disbanded. This gives managers the opportunity to up-skill, to rapidly gain exposure to methods, techniques and tools that are not part of their usual responsibilities, and to take these back to their line roles. (More about this under: ‘Recruit and develop the right people’.)

THE VALUE OF A STEERING GROUP

It is essential to establish a formal steering group to approve, steer, direct the emphasis, assess opportunities and otherwise instil confidence in the programme. Review boards should reflect the way decisions are made in the organisation and ensure that the appropriate people are accountable, responsible, participate in and review decision-making.

Have you considered?

- how project teams will be assembled, mandated and led?
- will they be permanent or formed according to the need and the opportunity?
- how projects will be resourced?
- what mechanisms are in place for continual feedback, evaluation of performance and assessment of opportunity?
- who will coach and mentor the occupants of key roles?

MARKET LEAN PROFESSIONALLY AND INTELLIGENTLY

Although Lean is usually mandated, each level of management must be persuaded to accept it on its merits. Lean will not succeed if it is forced down their throats; it has to be effectively marketed and communicated both internally and externally.

Persuading senior managers to buy into Lean may be hard. Partly because they are busy with day to day operations, assessing capital needs and dealing with people problems. Partly because they seek to protect initiatives that they have already started. And partly because Lean is rarely positioned to them well or sold to them effectively.

Marketing Lean has to be approached on the assumption that not everyone will appreciate how wonderful it is and immediately want some. Many managers and operational staff have been overexposed to improvement programmes. Going to them with something that sounds like 'the same old' with new packaging is likely to be seen as just another fad in a long line of them.

When managers are presented with an initiative that they do not own, where they have not been part of the journey, have not experienced the highs of successes or the pains of failure, where they can not see the true value or understand how change works then they will push back. They will find their own way of solving problems with disjointed results that are often a long way from the target.

OVERT SUPPORT FROM THE TOP

There is no question that Lean must have, and be seen to have, the active support of the CEO and the senior management team. This can't stop at a speech or two and the occasional memo. It requires high visibility, continuous support, and a demonstration of that support through decisions and actions. Equally when individuals and groups succeed, the CEO and senior managers should lead the recognition of their achievements.

One of the more effective elements in marketing Lean is to demonstrate and communicate the successes and ensure that credit is given to those who have a right to it.

DEVELOP A COMPLETE MARKETING AND COMMUNICATIONS CAMPAIGN

To sell Lean internally, as well as to external stakeholders, requires a well-thought out communications strategy. Organisations need to determine what messages to communicate, to whom, by whom, through what methods and with what frequency. Again, each organisation will have its own approach to marketing the benefits (to the organisation and to the individuals who climb on board) and communicating specifics such as what materials are available and how to use them.

In some cases it may be wise to avoid a polished marketing campaign in favour of direct, personal communication. Particularly if previous programmes were over-marketed and under-delivered. In other instances professional marketing support and materials may be required in order to demonstrate that the organisation is serious, committed, willing to put its name to Lean and to invest money and resources in its success.

SUCCESS IS A HEAVY BREEDER

One of the more effective elements in marketing Lean is to demonstrate and communicate the successes and ensure that credit is given to those who have a right to it. That includes communicating the lessons learned along the way, as well as gains in performance. Letting people know that some things may take a little more time or even fail, and celebrating the successes, sends a powerful message to the organisation and encourages the doubters to climb on board.

Have you considered?

- a marketing and communications plan; internally and externally?
- what your message is, who will deliver it, how and how often?
- what your marketing and communications budget should be and what resources you will need?
- what materials and media are required to support communications. For example audio-visual, road show programme, PR, written documentation?
- which projects can be used to demonstrate success?
- how can the benefits of Lean be explained and answer the question 'what's in it for me'?
- whether to brand Lean, and if so what the brand attributes should be?

CHOOSE THE RIGHT TOOLS AND TECHNIQUES

To create a Lean operation you need access to the right behavioural techniques to support the people and process, access to the right tools, and to know which to use and how to implement them.

Of the tools, some are mandatory, others are selected to suit the industry, culture, problems to be addressed, physical environment etc. This is a partial list.

PREPARATION

- Value stream mapping
- Process and material flow
- Tools & techniques training
- Waste identification
- Set up time reduction
- Control charts
- Ishikawa (fishbone) diagrams
- Theory of constraints

ONGOING

- Leading and managing change
- Teamwork development
- Planning & scheduling tools
- Focused improvement activities
- 5S concepts
- Root cause analysis
- Design of experiments

MEASURING

- Visual performance management
- Overall equipment effectiveness
- Product development measures
- Asset and life cycle costing
- Customer delivery performance

Have you considered:

- what tools, techniques and methodologies are needed?
- what is in place, what is available in the public domain, and what needs to be acquired, invented or customised?
- what learning, e-learning and self-learning resources are needed?

RECRUIT AND DEVELOP THE RIGHT PEOPLE

Typically the best source of recruits to lead Lean project teams is up-and-coming managers from within the company; people whose skills the organisation wants to enhance (a simple criterion is whether or not they are candidates for promotion). Early adopters are preferable. They should be team players who share the organisation's values and have a commitment to it; not individuals seeking to build themselves into a key-person empire..

A well-designed Lean programme enables managers to learn by experiential and cognitive methods. It puts in place form, structure, priorities and technique and emphasises their development needs. Ultimately the hands-on experience these managers gain will be a key factor in growing the next generation of leaders.

Two guidelines worth following are not to place team members on projects in their own area of the business or involve them in projects in their own area of expertise. Primarily this is to avoid bias and preconceived ideas on what the problems and remedies are. It also eliminates, or reduces the weight of, any baggage that managers may be carrying that may adversely impact on their relationships with other Lean team members or people within the area in which they are working. One of the key objectives of Lean is to encourage objective and innovative thinking. Bringing across managers from other departments and disciplines is a good way of achieving that.

SUCCESSION PLANNING. HAVE YOU REALLY TESTED IT?

When you remove managers from their usual roles and assign them to a project team, by default, they are usually replaced by one of their immediate reports. This gives the new generation of managers an early opportunity to experience the next level of management and to demonstrate their skills and capabilities. In addition to keeping the organisation dynamic it puts succession planning to the test.

It is at this point that many organisations that believe they have a robust structure and sound succession planning get a rude awakening. Good managers tend to be in important roles. When they are allocated to Lean teams, cries of 'you can't take them, they are key to our operations' start to echo. Instead of drafting the best and the brightest for Lean projects, there is a risk of allocating managers who are less than capable or enthusiastic and somewhat marginalised from the management team.

It is good practice to return Lean team members to their original line-management positions where they can put into practice what they learn.

At some point it may be necessary to bite the bullet, temporarily release good managers from their role and either give other staff a chance or recruit from outside. We have seen a number of clients take the risk and been rewarded with outstanding performances by young managers who have gratefully embraced their opportunity.

HOW DO YOU TRAIN THEM?

Before managers are placed on Lean project teams, they should be put through intensive training programmes that include rapid exposure to parts of the organisation beyond their usual domain. This gives them an understanding of how different functions – finance, IT, technical centres, manufacturing centres etc. – work together across the organisation.

Training should also cover analytical tools, motivation, interpersonal and leadership skills, organisation and process flow analysis, project management, meeting management and so on.

UP THE LADDER ON MERIT

Between 18 to 24 months after a project commences it is good practice to return Lean team members to their original line-management positions where they can put into practice what they learn. Rather than place them in a higher management position (as they often expect) give them room to use the skills they have acquired to move up the ladder on their merits.

Have you considered?

- how will you choose Lean leaders?
- how will they be inducted?
- what skills and tools to provide them with?
- how their performance will be evaluated and by whom?
- how you will remunerate and reward them?
- how you will return them to the mainstream?
- what are the organisation's skill gaps?
- who has responsibility for training: HR, divisional management, other?

PUT IN PLACE SYSTEMS TO BUDGET, PLAN AND MANAGE PROJECTS

Operational improvements need to be elevated from ad-hoc projects to medium to long term deliverables for key operating assets. Start with a strategic view of what needs to be – and what can be – achieved and give priority to those projects that will yield substantive financial and operational results.

As with every other aspect of management, there needs to be a system that drives and control projects and ties them to budgets and plans. This includes a formal process to select, analyse, design, implement, measure and track ongoing progress. While this is an elementary function of project management, if there is no system in place to measure and manage projects, the potential will not be realised and the momentum will not be maintained.

LEAVE IT UNTIL LAST

Budgeting and planning must align all the elements of Lean: strategy, roles and responsibilities, marketing, tools, selection of people and prioritisation of projects. As with all budgeting processes, once the costs and the bottom line become visible, people are forced into reviewing their original intentions – to decide what is truly worthwhile pursuing and what is on the wish list of things that would be nice to have in a utopian environment.

That said, there is considerable merit in leaving the budgeting until last – otherwise there is a serious risk of constraining thinking and missing out on creative solutions.

Have you considered

- how budgeting and planning practices will be translated into activities at business unit manager level?
- how variances will be highlighted and corrected?
- how benefits will be captured and reported?
- how project results will be amalgamated and fed back into corporate budgets and plans?
- how project resources and expenditure will be controlled?
- how you will measure effectiveness?

CHOOSE EXPERIENCED PARTNERS WHO CAN SUPPORT YOUR PEOPLE

External partners can provide the disciplines to accelerate change and the experience to overcome many of the risks and problems that derail Lean programmes. But, organisations need to use them cleverly.

Many organisations use external consultants to implement projects deemed too complex to manage internally; especially those projects that reach across multiple departments and processes. This approach gives rise to two traditional problems. Firstly operational managers are not involved in development of the fix or its implementation until late in the programme, and they have little by way of emotional buy-in or personal stake in the success. Secondly much of the thinking and knowledge disappears when the consultants do, along with the enthusiasm and momentum.

However, consultants, partners, coaches – whatever name they go by – can be a significant factor in successfully instituting Lean, and are especially valuable in the early phases. Experienced consultants bring you the knowledge gained in managing similar projects, and often do so at a fraction of the cost, a fraction of the time and a fraction of the pain of working it out yourself. They help to maintain the momentum and ensure that people and programmes are not sidetracked and that methodologies are not diluted.

Importantly, they help your managers apply what they learn with greater confidence and certainty. No matter how good the training or the materials, people generally retain about 25% of what they are taught in a block. For the remaining 75%, feed the ideas, information, techniques and examples to them again while they are solving real problems.

PART OF THE JOB

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The odds of success increase exponentially when managers stop regarding Lean as a task to be undertaken when their day job is done.

It has to be positioned as the way the company works – now and into the future.

The first leg of a race with no finishing line.

The experience your managers gain in applying their ideas, provides a solid base on which they can build the next project and the one after that.

MAKE IT A TEAM TO REMEMBER

An important issue when utilising the support of external experts is to ensure that their knowledge is transferred in a way that enables your managers to become self-sufficient.

In general, a good way to do this is to assemble project teams with a blend of external consultants and internal managers. This has the benefit of combining the consultants' years of management experience with your managers' years of operational knowledge.

The ideal ratio is 50 / 50. But ratios of one consultant to two or three internal managers can work just as effectively – if the project is suitable.

Use consultants to provide key elements of the training, to provide project skills when and where these are needed, to provide personal support and mentoring, to ensure a disciplined approach is maintained in areas such as roles, accountabilities, scheduling and timing, and to bring much needed objectivity to decisions and measurements. And use consultants as an external review / audit of progress once an organisation has been going it alone for a period of time.

The knowledge your managers gain in deciding upon and planning projects, and the experience they gain in applying their ideas, provides a solid base on which they can build the next project and the one after that. As the internal take-up of skills and experiences increases, the need for external support gradually reduces and can be called upon only for the largest and most complex projects.

Have you considered?

- how consultants should be engaged?
- who appoints them?
- who evaluates them and using what criteria?
- what authority they have?
- whether you want this to be an arms-length contract or a partnership with shared responsibilities?

OBJECTIVE VERIFICATION

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Lean has been around for a long time and many organisations have highly developed programmes in place. However, it often pays to have an objective, external review. This can be used to assess overall effectiveness, collate perceptions around the organisation, determine where managers see opportunities for further improvements and guide ongoing evolution.

THE NUTSHELL

Companies that succeed in becoming Lean – regardless of their industry or location – tend to be those who approach the task with clear goals and a disciplined approach.

- They align Lean to their business priorities.
- They build Lean programmes that are enablers of change; providing the resources and encouragement in a structured way.
- They reward those who support change and whose behaviours are consistent with the organisation's values.
- And they provide visible, consistent support from the top down through the organisation.

GPR Dehler has a long record of successes helping organisations to implement significant cultural and operational improvements to their business. To find out more about our company and the benefits we have brought to our clients, please contact GPR Dehler - email info@gprdehler.com or visit our web site www.gprdehler.com.