



Executive Overview of Lean Steering Committee Tasks

General Information

This document was created to give top management a brief overview of the expectations for the Lean Steering Committee.

Management Understanding and Commitment, is the first and foremost strategic point. In order to implement a lean program with a culture change, management must understand the nature of the entire lean enterprise and then commit to a long-term, developed, shared strategic plan.

First, a Lean Steering Committee must be put into place. This committee, sometimes called the Lean Management Team, is usually comprised of the organisation's management group. Their role is to develop a customised implementation plan.

The Improve Group works very closely with the Management Team, helping to set the foundation for lean implementation by developing a "Lean Vision" with a charter statement, or charge for the Implementation Team.

This committee will identify a Lean Champion to lead the Implementation Team and execute the implementation plan. This identification can sometimes be a very tedious selection process. The Lean Champion must have a working lean knowledge and must devote at least 75% to 100% of his or her time to the lean projects. In many cases, the Lean Champion will have to receive additional training and education to have adequate knowledge to fill this position.

The Improve Group also helps the Management Team to identify a Lean Implementation Team by recommending the best types of personalities and personnel needed for successful lean implementation. The selection process of the Implementation Team can also be quite arduous. It is very important that the Implementation Team has adequate representation from all areas of the enterprise. All members of this team may or may not be familiar with all aspects of the entire process. However, it is important to select those team members that can "make things happen," during the implementation process.

Another very important aspect for the Management Team is learning to set guidelines for the Implementation Team. Basically, these guidelines, which are sometimes called trip wires, are a set of boundaries that allow the Implementation Team room to work without constantly having to get permission to make decisions. As long as the Implementation Team doesn't hit a trip wire and stays within the guideline boundaries, they can make decisions for implementation without having to get permission from the Management Team.

These guidelines (trip wires) can be the budget limit of each project, any action that will affect customer specifications, or existing standard operating procedures, or personnel in both overtime and job assignments, just to name a few.

In addition to trip wires, other guidelines set by the Management Team for the Implementation Team are: resources for implementation execution such as money, manpower, equipment etc., or rewards and celebrations for hitting improvement targets and goals. Another example of a guideline is a timeline for implementation. This is an important measuring device that will help keep projects on track and meet completion dates.

The Improve Group initially meets with the Management Team to train on all of these very important planning tools and to advise them on a very comprehensive customised implementation plan. In addition to this management training, suggested supporting programs such as lean simulations, leadership training programs and consultation with ongoing implementation plans are recommended.

Overview

Deciding to become a Lean organization is an undertaking that should not be taken lightly. Lean is not a "silver bullet;" it cannot fix all your problems all at once. But, if you are unsure of whether Lean works or not, just look at Toyota. They have been using Lean strategies for over 50 years and are now poised to become the number one car manufacturer in the world.

Discover

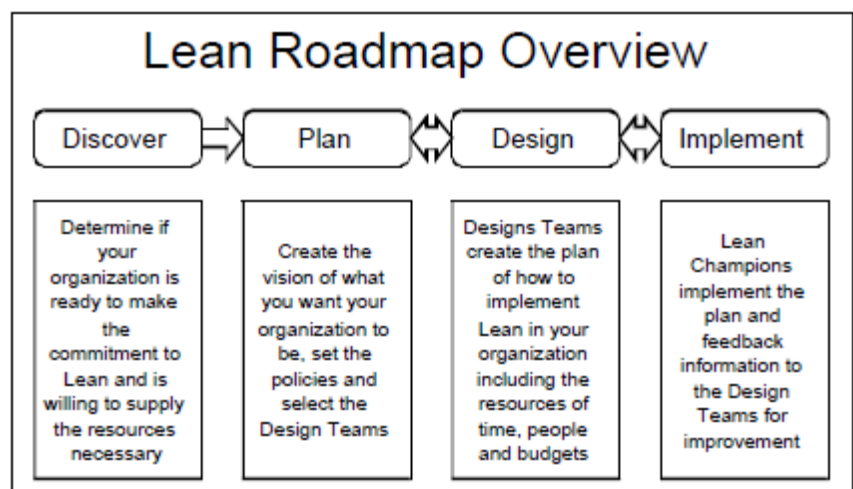
First, determine if your organization is ready to make the commitment to Lean and is willing to supply the resources necessary to meet the Goals and Objectives. The number one reason Lean implementations fail is because top management is not fully committed to participate and support the Lean efforts.

If you have anyone in top management that does not completely believe in Lean, then you are doomed to fail, since Lean only succeeds when management understands that they must become process-oriented and not just results-oriented.

This makes Lean a long-term commitment, and management must be prepared to think 3, 5, 10 years down the road. Remember: committing to Lean is about Lean thinking, not Lean tools. Some ways for top management to gain knowledge about Lean methods include training, seminars, conferences, benchmarking, tours, and reading articles and books

Lean Vision

What do you hope to gain by becoming a Lean organization? How will you explain this to all levels of your company so that all understand the need for change? It is important to address these questions because you are setting the direction in which efforts will be



focused (though it may take weeks or months before your Lean Vision is established). A Value Stream Map is a mechanism to help formulate your direction.

Lean Policies

It is important that you state specific policies upfront for employees and management, to make sure they know where you stand. For instance, "No employee will ever be laid-off because of improvements made through our Lean efforts." Remember that policies drive behaviours; if you set a policy, employees will figure out a way to meet that policy (good or bad). Do not make policies overly restrictive; remember that you have to earn trust to build trust.

Lean Goals and Objectives

These can be SMART goals (Specific, Measurable, Attainable, Realistic, Time-bound) or Stretch Goals ("Big Hairy Audacious Goals," "Wildly Important Goals"). The key with the goals is that they fit the needs of your organization, so don't just copy from another organization or borrow from your previous materials if those materials don't fit within the realm of Lean.

If you choose to use stretch goals, make sure they are not de-motivating in nature. For example, if the Steering Committee decides that they want to get the timeline for new product development down from two years to two months, ensure that the appropriate resources are supplied so that the goal can actually be reached.

Lean Metrics

The three most basic metrics of Lean are Quality, Cost, and Delivery (or Service Level).

Do not make metrics overly complicated or meaningless. They must make sense to everyone in the organization because they are tied-in to your organization's objectives. Remember "What gets measured, gets done."

Communication Plan

When an organization undergoes a major transformation like Lean, management often makes the mistake of under-communicating the plan to employees by a factor of 10. For example, they may communicate the plan once or twice in meetings or organizational documents, but never really integrate the new vision into all communication materials in a consistent, across-the-board way.

Once the transformation is underway, management's goal should be to reinforce the new Lean plan using all types of communication (newsletters, emails, meetings, memos, etc). In other words, for every time an employee is told about Lean, they should have this idea reinforced nine other ways.

Do not underestimate the importance of communication in bringing about change. Put yourself in the employee's shoes; "Why do I have to change what I am doing?"

Consider creating the "Burning Platform" reason Lean needs to be implemented, and become a Lean thinking organization. It is common for Steering Committees to use a Communication Kaizen Team to help create and deploy the overall Lean Communication Plan.

Learning Plan

The Steering Committee is responsible for overseeing the overall Lean Learning Plan. For instance, there is a level of Lean that you need to know, and the level that you currently understand, but in between is a gap.

The challenge is in determining ways to eliminate that gap. One way to begin this process is to determine what type of training is required and who needs to attend. For example: all managers will attend a 2-day Lean Overview; all employees will attend a 2-hour problem solving seminar, and so on.

Reward & Recognition Plan

Typically the Reward and Recognition plan can take a back burner to the others before it has to be created and implemented. The Steering Committee is responsible for setting up this program and the key here is to reward early adopters first. The actual "reward" or "recognition" does not have to be money; there are many ways to reward individual and team-based accomplishments.

Kaizen (Rapid Improvement) Teams

One of the first tasks assigned to the Steering Committee is identifying which Kaizen Teams need to be started and when. The committee then determines Kaizen Team Members and leaders.

The most common Kaizen Teams to start with are the Lean Communication Kaizen Team, 5S, Visual, Workflow or Quick Changeover Kaizen Teams. After that, the kaizen activities are based on the needs of the company. Essentially, the kaizen Team is responsible for creating the deployment plan (for 5S, etc) and executing it.

Action Item Recap

1. Determine if top management is fully committed
2. Lean Vision
3. Lean Policies
4. Lean Goals and Objectives
5. Lean Metrics
6. Communication Plan, Learning Plan, Reward & Recognition Plan
7. Kaizen Teams