



# KEY LEAN CONCEPTS

The Power of Purpose, Process and  
People

# Overview

## Today's Conversation:

What is LEAN,  
and why does it  
work?

New framework for  
“fixing things”

How to help people  
do more of what  
matters



# What is LEAN?



A process improvement methodology which helps focus on

- business processes so that we
- maximize customer value and
- minimize roadblocks

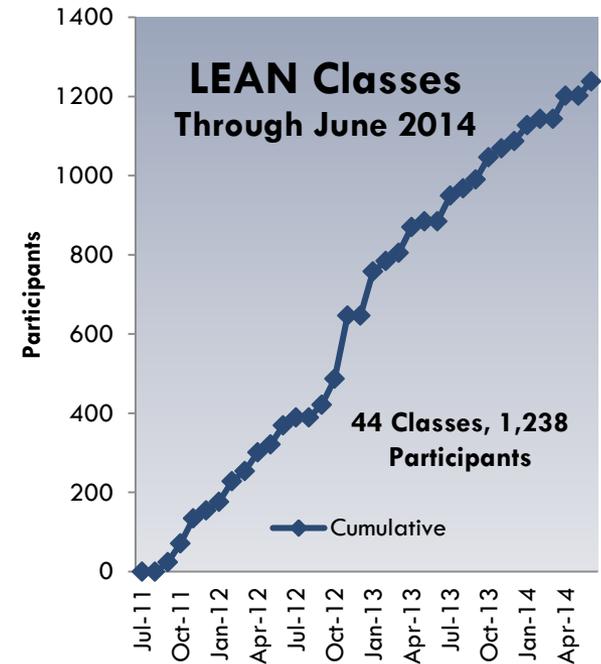
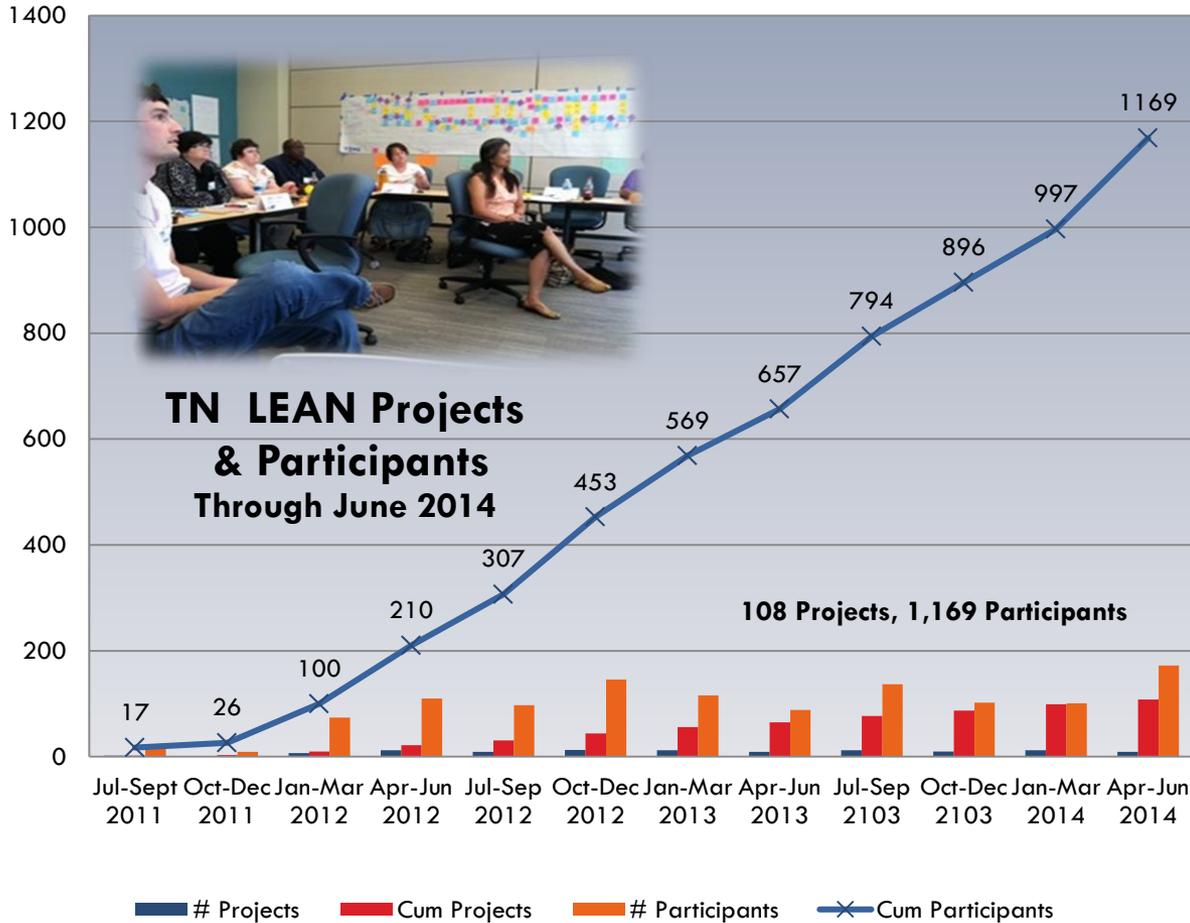


# LEAN is not....

- ❑ An acronym or pithy slogan
- ❑ Method for making people work harder
- ❑ Strategy for reducing employee numbers
- ❑ Sacrificing quality for speed



# Spreading LEAN Culture





## **Introduction to LEAN**

- **1 hour on-line webinar**

## **LEAN Principles**

- **1 day classroom**

## **LEAN Facilitation**

- **2-day classroom (must have LEAN Principles or equivalent first)**

## **LEAN Quarterly Roundtable**

- **Continuing education, 1/2-day, Jan, Apr, Jul, Oct**





- A small team of people
- Meeting in a short period of time (3-5 days)
- Taught a structured, rapid improvement methodology to improve a process
- Leave with change implemented immediately!

# LEAN Tools: LEAN Events



# PLAN Do-Check-Act

THEME: "What are we trying to do?"

To: \_\_\_\_\_  
By: \_\_\_\_\_  
Date: \_\_\_\_\_

**Background**

- Background of the problem
- Context required for full understanding
- Importance of the problem

**Target Condition**

- Diagram of proposed new process
- Countermeasures noted as fluffy clouds
- Measurable targets (quantity, time)

**Current Condition**

- Diagram of current situation (or process).
- Highlight problem(s) with storm bursts.
- What about the system is not IDEAL.
- Extent of the problem(s), i.e., measures.

**Implementation Plan**

What?	Who?	When?	Where?
Actions to be taken	Responsible person	Times, Dates	
Cost:			

**Cause Analysis**

- List problem(s)
- Most likely direct (or root) cause:

Why?      Why?  
 Why?      Why?  
             Why?      Why?

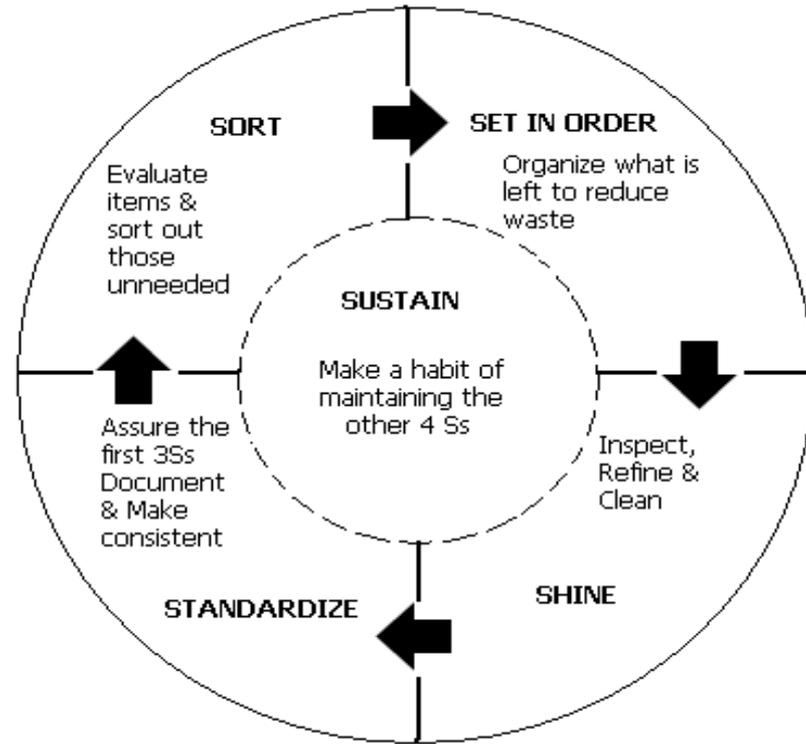
**Follow-Up**

Plan	Actual Results
<ul style="list-style-type: none"> <li>• How will you check the effects?</li> <li>• When will you check them?</li> </ul>	<ul style="list-style-type: none"> <li>• In red ink/pencil.</li> <li>• Date check done.</li> <li>• Results, compare to predicted.</li> </ul>



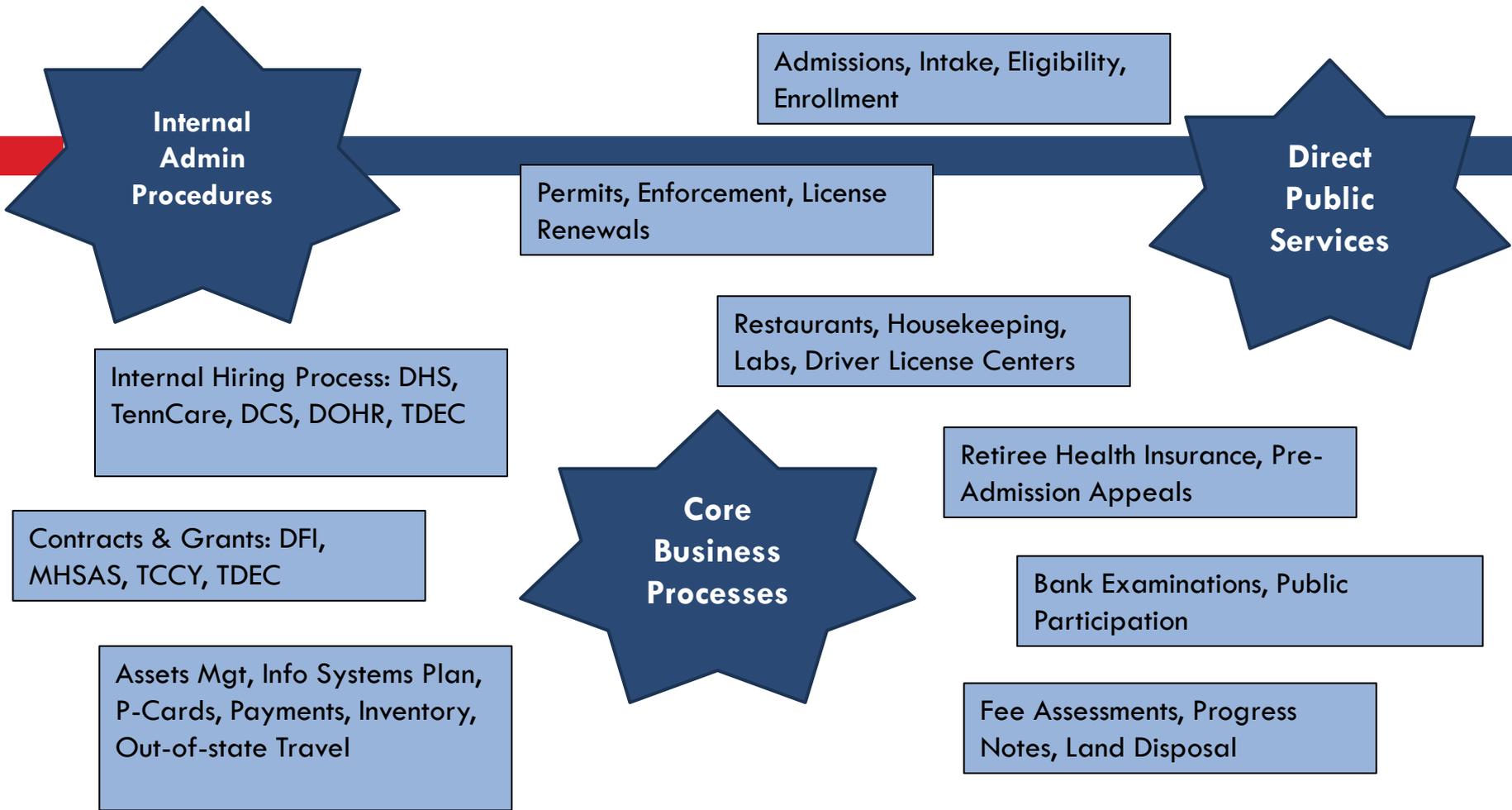
## LEAN Tools: A3 Problem Solving





# LEAN Tools: Five "S"





# LEAN in Tennessee



# What is LEAN improving?

## Direct Customer Focus

### Time

- From request to delivery

### Quality

- Consistent, defect-free service or product

### Satisfaction

- Did we meet customer expectations?

## Indirect, Enabling Factors

### Improved Capacity

- Efficiencies
- Cost savings/avoidance
- Space savings

### Cultural Changes

- Improved staff morale, employee engagement, creative problem-solving

### Safer Working Conditions





# Power of Purpose

Excellence = Purpose + Process + People

Key Question:

Why are we doing “this”?

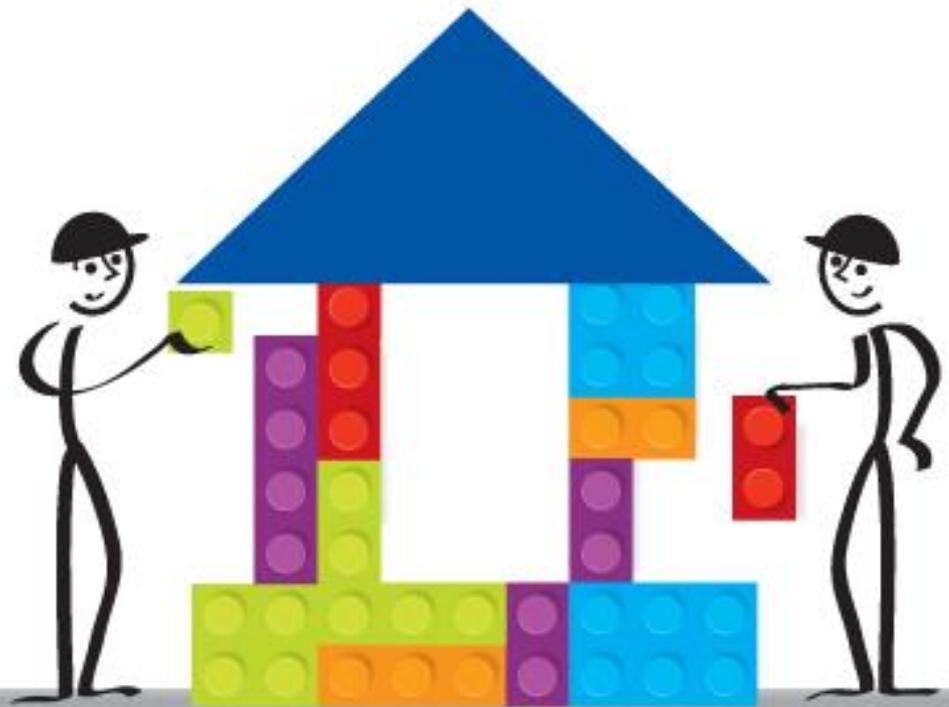
# Lean Requires Total Transformation

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TO ALIGN:

- *Process*
- *People*
- *Purpose*

TO CREATE VALUE



THE BUILDING BLOCKS FOR CONTINUOUS INNOVATION



# Purpose Drives Process



# System of Work – Ken Miller



FACTORY

WIDGETS

CUSTOMERS

OUTCOME

HOW?

WHAT?

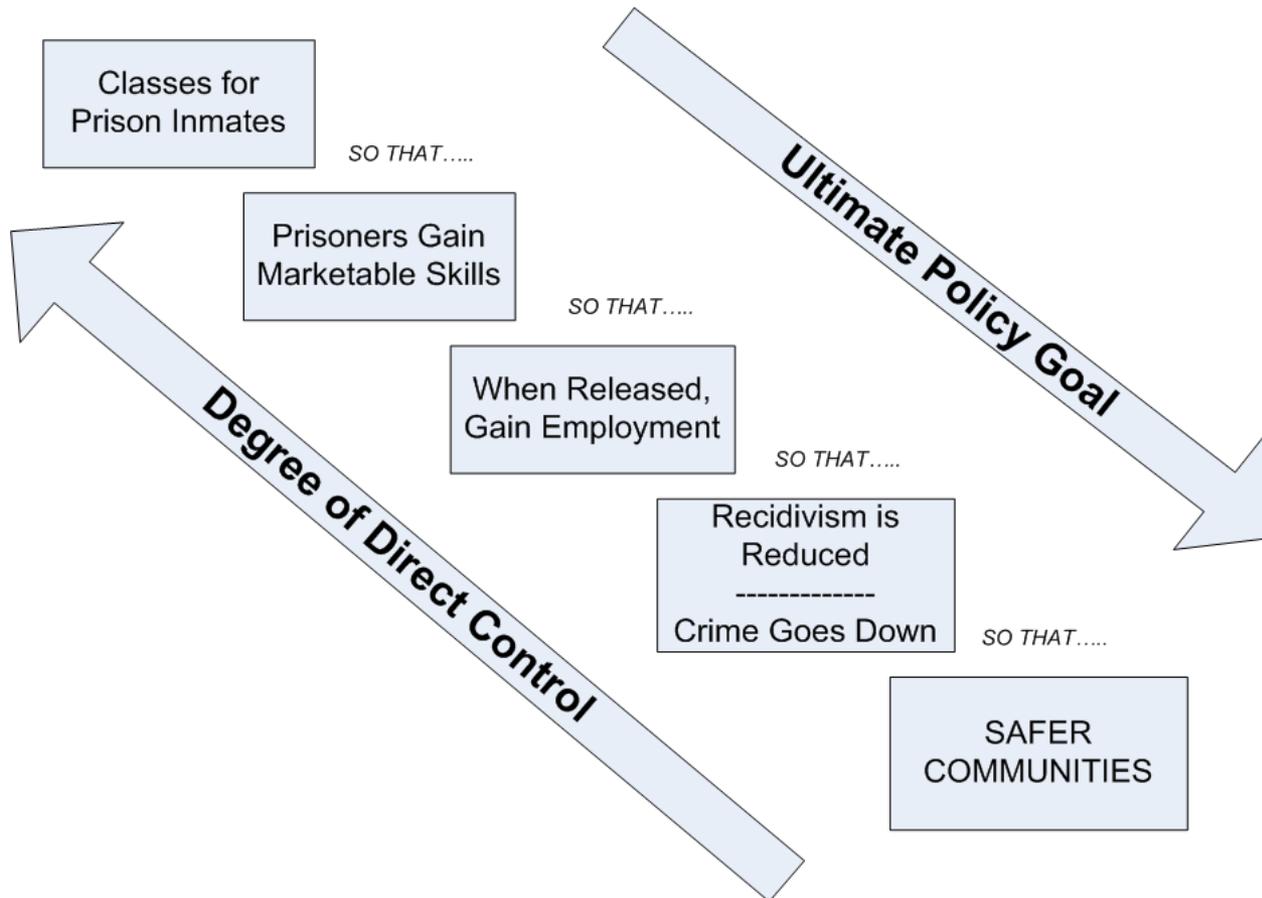
WHO?

WHY?



# Focus on Customer

## Value Chain: Dept of Corrections



Citation to be added



# Widgets & Customers

<p><b>Widget</b></p> 	<p><b>WHAT?</b></p>	<p>Product or Service: a deliverable, something created by work which can be given to someone else – a noun</p>
<p><b>Customer</b></p> 	<p><b>WHO?</b></p>	<p>Primary individuals receiving a specific work product or service (internal or external)</p>





# Power of Process

Excellence = Purpose + Process + People

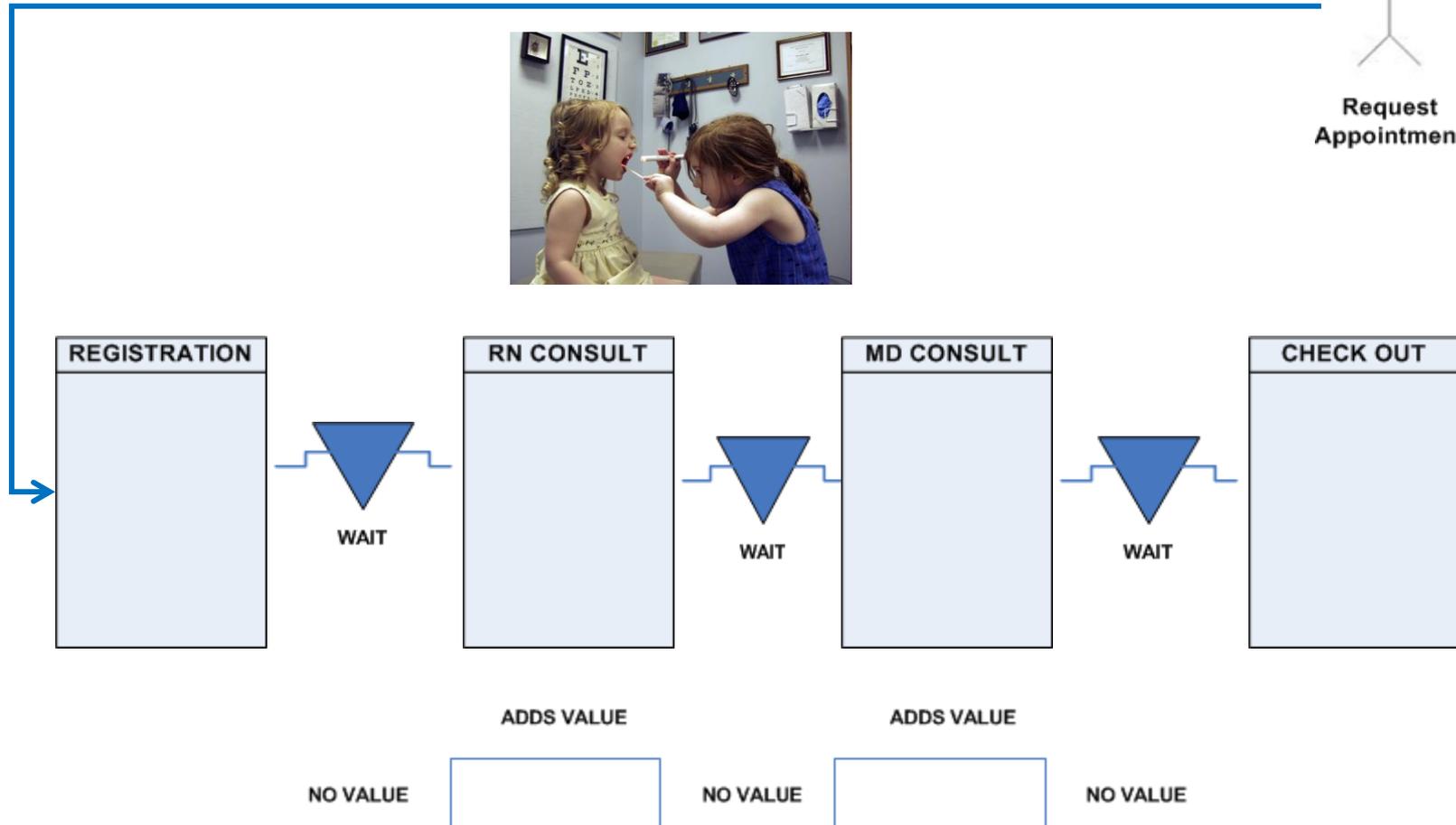
Key Question:

Are we adding value? Or just doing stuff?

# Process Drives Outcome



Request Appointment



# Processes Include.....



**Everything** that happens between the time our customer requests us to deliver something (a service or product) and the time when they receive it.

- **Value Add**
- Adds Value in the eyes of the customer
- **Non-value Add: 2 Types**
- Adds no value
- Adds no value, but is required



# What Doesn't Add Value?

1. Defects
2. Overproduction
3. Waiting
4. Non-Value Extra Processing
5. Transportation
6. Inventory / Storage
7. Motion
8. Employees Not Fully Utilized



# 5 Key Government Process Pitfalls

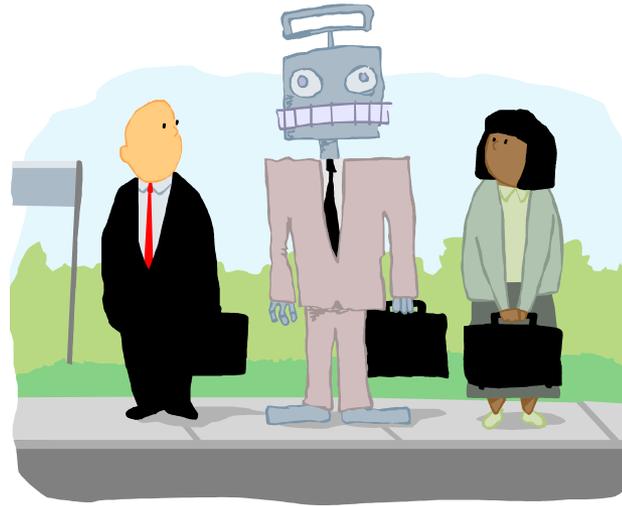
1. Backlog
2. Batching
3. Bottleneck
4. Forcing One Process to Handle All Types of Work
5. Failure to Error-Proof

-State of Colorado Lean Program



# Standard Work

What comes to mind when you think of standard work?



# Standard Work

- The safest, highest quality, and most efficient way to perform a particular process or task
- Foundation of LEAN
- Continuously improved



# Standard Work Exercise

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Let's use what we have learned about  
standard work to draw a pig!



# Creating Standard Work Documents

**Duncan Hines**

MAKES 30 BROWNIES

**YOU WILL NEED**

Large Eggs	Water	Vegetable Oil

<b>FUDGY BROWNIES</b>	1 EGG	1/3 CUP WATER	1/3 CUP OIL
<b>CAKE-LIKE BROWNIES</b>	2 EGGS	1/3 CUP WATER	1/3 CUP OIL

**BAKING INSTRUCTIONS**

**1 PREP** **PREHEAT** oven to 350°F for glass or metal pans, 325°F for dark or non-stick pans\*.

**GREASE** bottom of pan with shortening or cooking spray.

**2 MIX** **EMPTY** brownie mix, egg(s), oil and water in a large bowl. **STIR** until well blended (about 50 strokes). **SPREAD** into greased pan and bake immediately.

**3 BAKE** **BAKE** following chart below. \*ADD 3-5 minutes for dark or non-stick pans. Brownies are done when toothpick inserted 1 inch from the edge of pan comes out clean.

<b>PAN SIZE</b>	13" x 9"	9" x 9"	8" x 8"
<b>BAKE TIME</b>	21-23 MIN	27-30 MIN	31-34 MIN

**COOL** completely in pan on wire rack before cutting and serving.

High Altitude: (over 3,500 ft) Preheat oven to 350°F. Stir 2 Tablespoons flour into brownie mix. Mix according to the directions above. Bake at 350°F in a 13x9 inch pan for 22-25 minutes.

## Do:

- ❑ Simple, accessible
- ❑ Part of the process

## Don't:

- ❑ Change processes without changing standard work
- ❑ Make it difficult to change
- ❑ Give up!





# Power of People

Excellence = Purpose + Process + People

Key Question:

Are we tapping the wisdom of our organization?

# People Drive Results

□ Respect for People



□ Continuous Improvement



# Formula for Excellence

 <b>Purpose</b> drives process	 <b>Process</b> drives outcome	 <b>People</b> drive results
<b>Clarity</b>	<b>Discipline</b>	<b>Respect</b>

Excellence = Purpose + Process + People



# LEAN in a Nutshell

LEAN tools/thinking helps us:

- Untangle our processes in order to see clearly the specific process we touch, as it flows from start to finish.
- Improve this process so that everyone is better off – customers, employees, suppliers, and the public.



-Adapted from Jim Womack's **Gemba Walks**



# Now What?



What specifically can you do  
to build the culture of continuous improvement  
in your office?



# Contact Us

## F&A Office of Consulting Services

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## Web Resources

- <http://intranet.tn.gov/finance/lean/lean.html>

