

# Lean Enterprise Forum

## December 2005 Highlights

- 2 Site Visit – Progressive Healthcare
- 3 Use of Lean in Japan
- 5 The Lean Discussion Board
- 8 Note From the Editor
- 2 Quick Notes

### Lean Enterprise Forum Contacts:

**Tony Manos, chair**  
Profero, Inc.  
anthony.manos@proferoinc.com

**Randy Fisher, vice chair**  
Smurfit Stone Container Corp.  
rfisher@smurfit.com

**George Alukal, past chair**  
Chicago Manufacturing  
galukal@cmcusa.org

**Wendy Gomez, newsletter editor**  
Danmer, Inc.  
wendy.gomez@danmer.com

**Ginger Rockey-Johnson, discussion board moderator**  
grockey-johnson@sunmicrostamping.com

**Linda Milanowski, staff liaison**  
American Society for Quality  
lmilanowski@asq.org

## Value, Value, Value!

by *Tony Manos*

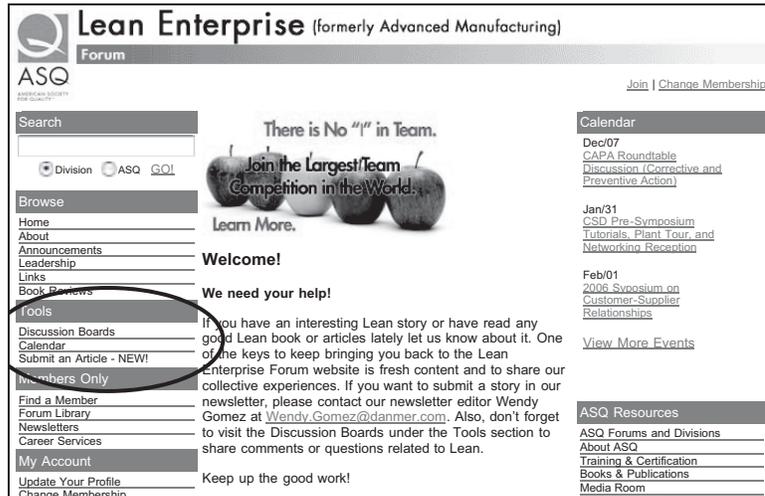
I have heard the word value a lot lately in regard to ASQ and the Lean Enterprise Forum. In the last month I attended both the ASQ's Member Value Summit (see <http://asqgroups.asq.org/summit/>) and the Division Affairs Council (DAC) meeting. These were great opportunities to generate and share ideas to increase value to our members. The LEF board is working hard to implement ideas that will help increase the value of your membership.



### Take a look at the Web site!

Visit [www.asq.org/le](http://www.asq.org/le) for more information. I just wanted to highlight one area on LEF's Web site. Check out the "Tools" section in the middle of the left-hand side of the page. Under it you will find three links:

- Discussion Board
- Calendar
- Submit an article – NEW!



The discussion board was created with the intent that members could submit questions or comments and receive responses from other members. You can start a thread, submit responses, and even set it up to notify you when new postings are made (a very useful tool).

*Note: Discussion boards are now open to all members of ASQ.*

The calendar has been updated through the ASQ Web site. You can search by many methods to find what you are looking for including dates, event type, and even member units (Headquarters, Forum/Divisions, Sections, and Community).

## ASQ's World Conference for Quality and Improvement

Milwaukee, WI May 1-3, 2006

### Lean Program Sessions

The Lean Journey at ProMedia Labs  
Monday, May 1, 10:00-12:00

Lean Kaizen

Tuesday, May 2, 9:15-10:30

Developing a Lean Manufacturing  
Operational Assessment that  
Reveals Hidden Waste

Tuesday, May 2, 11:00-12:15

### Lean Networking Sessions

Lean Enterprise in Healthcare: Value  
Stream Mapping As a Blueprint for  
Identifying Waste and Creating Flow  
Monday, May 1, 12:15-1:30

Today's Manufacturer—Remaining  
Competitive in a Global Environment  
Monday, May 1, 12:15-1:30

Lean Networking Lunch

Tuesday, May 2, 12:15-1:30

### Lean Enterprise Forum Activities

Annual Business Meeting

(open to all members)

Sunday, April 30, 1:00-5:00

Exhibit Hall Booth

LEF will have a booth in the exhibit hall.

Come and meet us!

For more details and updates, please  
visit <http://wcqi.asq.org>

ASQ added a new link to the Web site to help you to submit an article. This link will direct you to a form that will help guide you through the submittal process.

I just wanted to highlight these three things that help bring value to your membership in ASQ and the Lean Enterprise Forum.

I would like to wish everyone a safe and happy holiday season. All the best to you!

*Tony Manos, Chair, Lean Enterprise Forum*

## SITE VISIT: Discovering Lean Thinking at Progressive Healthcare

*by Sylvia Bushell with Joyce Mobley, MD, and Becky Shelest, RN*

“WHERE IS THE STACK OF BOOKS I SET ASIDE?” I ASKED in a panic, “You mean those diet books? They are over here. I had to move them,” said one of my co-workers helping pack up my office for a move to a new location. “Diet books? Oh, you mean my lean thinking books! Thanks, I like to keep them close for reference.” I chuckled. *That’s a new definition of lean. I wondered what Taiichi Ohno, the developer of lean, would have thought of it? Lean is removing waste. Ah well, I need to think about how to introduce lean to Progressive Healthcare. Progressive just called me. They accepted my proposal to use lean to improve their primary care delivery processes. Progressive has done many innovative things in the past. It promises to be a fun and fulfilling assignment.*

*cont. on p. 5*

# A Study of the Use of Lean Manufacturing Techniques by Japanese Small and Medium Enterprises (Brief Summary of Results)

The purpose of this article is to briefly summarize the results of a 2004 study of the use of lean manufacturing techniques (LMTs) by Japanese small- and medium-size enterprises (SMEs). The survey took place in October 2004 with a full report completed in February 2005. The idea for this study came from a news item in the March 2003 *Quality Progress*<sup>1</sup> about a similar study by the Society of Manufacturing Engineers of manufacturers in the northeastern part of the United States<sup>2</sup>.

The following questions were posed on a questionnaire sent to 500 randomly selected manufacturers:

- To what extent do Japanese SME manufacturers use LMTs?
- For those not using LMTs, do they plan to use them?
- Of those not using them and not planning to use them, why not?
- For those using LMTs, when did they start using them and which ones do they use?
- For those using them, which LMTs are helping them the most?
- For those using them, what were the biggest problems when initially trying to adopt LMTs?

Of the 66 companies responding (13.2%), about half characterized themselves as “A manufacturer that produces a high ratio of its own products”; the remaining companies were distributed fairly evenly across the other five “type” categories. The vast majority of the companies were at or above the high end of being an SME; that is, they had between 50 and 300 employees (78.8%) or more than 300 (19.7%)<sup>3</sup>. About 20% of the companies were in the electrical machinery/appliances business; one-third were in “other” industries, mostly food; and the rest were more or less evenly distributed across the other 10 categories listed on the questionnaire.

Based on the questions listed above we can draw the following conclusions from the results of this study:

**To what extent do Japanese SME manufacturers use LMTs?** About 70% (46 companies) use LMTs. This compares with only 17% found in the Society of Manufacturing Engineers study of American manufacturers mentioned above.<sup>4</sup>

**For those not using LMTs, do they plan to use them?** The short answer is “no” since only 10% of the 20 companies not using LMTs plan to use them.

**Of those not using them and not planning to use them, why not?** A full two-thirds of those not planning to use LMTs gave the reason “We don’t know much about LMTs.” However, an analysis of the companies giving an “other” reason suggests that these companies also don’t know too much about LMTs. When these two groups are combined it adds up to 94.5%. This suggests that anything that contributes to a better understanding of LMTs would be very beneficial to these companies, for example, the publication of this study.

1 Keeping Current, Many Manufacturers Indicate Unfamiliarity With Lean.

2 SME 2002 Lean Manufacturing Survey, Final Results. (undated). (Report by the Society of Manufacturing Engineers [SME] of an SME sponsored survey conducted Sep/Oct 2002.)

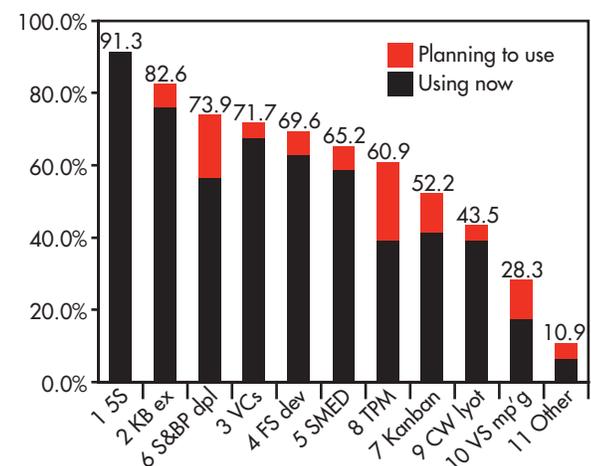
3 As was learned later, this was probably due to the way the sample was taken by the database company used—i.e., the companies were selected from each prefecture in order of annual sales thus favoring selection of larger companies. This is recognized as a weakness of the study.

4 P. 6 of that report.

## Robert (Bob) Austenfeld



After 25 years as a communications officer in the U. S. Marine Corps, Bob Austenfeld returned to school (USC) to obtain a doctorate in education. Following that, he worked for Douglas Aircraft Co. as a procedures analyst and then as a team leader. During that time he worked toward and eventually obtained a master’s degree in business administration from Pepperdine University. In 1993 he was hired by Hiroshima Shudo University to teach business and management. Austenfeld and his wife live in Kobe, Japan.



**Figure 1** For Each LMT, Total Percentages of Those Using Now and Those Planning to Use in Future—46 Companies

## Definitions:

### 5S

5S (sort, set in order, shine, standardize, sustain).

### CW lyot

Cellular workplace layout

### FS dev

Failsafe device (error-proofing, poka-yoke)

### Kanban

Kanban system (just-in-time manufacturing)

### KB ex

Kaizen blitz exercise

### S&BP dpl

Standardization and best practice deployment

### SMED

Single-minute exchange of die (reduction of set-up time)

### TPM

Total productive maintenance

### VCs

Visual controls

### VS mpg

Value-stream mapping

## For those using LMTs, when did they start using them and which ones do they use?

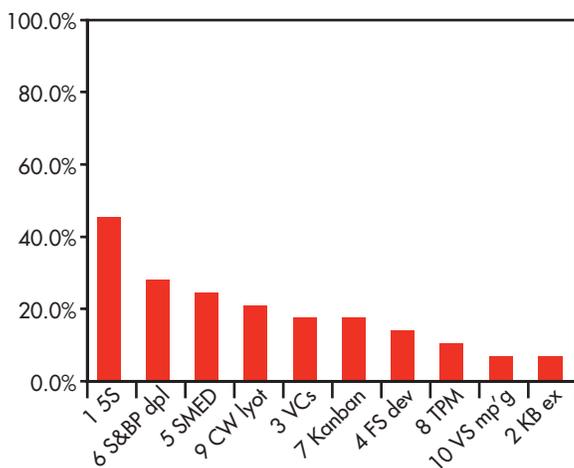
Most of the companies (63.0%) have been using LMTs for at least five years. And Figure 1<sup>5</sup> shows the percentage of companies using LMTs both now and as planned. These percentages range from 91.3% for 5S to 10.9% for the “other” category. The average for these 11 LMTs (the 10 listed on the questionnaire plus the “other” category) is 59.1%. If we exclude the relatively small “other” category, this average jumps to 63.9%. The conclusion we can draw from this is not only are most companies using LMTs, they are using them to a significant degree across the whole range of LMTs and have been for some time.

**For those using them, which LMTs are helping them the most?** To get a more meaningful result to this question only the responses of those companies reporting 50% or less of the total number of LMTs reported were used. Although arbitrary, this 50% figure seemed reasonable to eliminate those cases where a company reported most or all LMTs as helping most—an answer not very useful. This reduced the number of companies from 46 to 26 but is still considered large enough for credible results. Figure 2 shows these percentages for each LMT. However, perhaps more interesting is how the rankings for these “Helped Most” percentages compared with those for the “Used Most”<sup>6</sup>. Surprisingly, there were some significant differences between these respective rankings, especially for these LMTs: kaizen blitz exercise (KB ex), cellular workplace layout (CW lyot), and standardization and best practice deployment (S&BP dpl). We can conclude that for some reason companies don’t recognize the value of some of the most helpful LMTs or, in some cases, an LMT was wrongly reported as being used because of the person not fully understanding what it is.

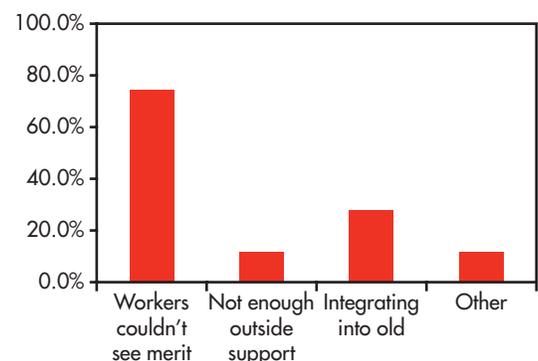
**For those using them, what were the biggest problems when initially trying to adopt LMTs?** According to the data shown in Figure 3, the biggest problem was “the workers couldn’t see the merit in adopting LMTs” (74.4%). One of the five “other” problems reported would seem to fall in this category also. Therefore we can conclude that this was, indeed, the biggest problem. Considering the significant change a sincere effort to adopt LMTs involves, this is not surprising since, in most cases, we are talking about nothing less than a wholesale cultural transformation.

5 Figures are on p. 3.

6 This is the number before each LMT along the “x” axis, e.g., “1 5S” means that the LMT 5S was reported as used by the most companies, “2 KB ex” means that kaizen blitz exercise was reported as used by the next most companies, etc.



**Figure 2** For Each LMT, Percentage of Companies Including It As One That Helped Most (for Companies Choosing 50% of Less of Those Used—26 Companies)



**Figure 3** Percentage of Companies Reporting These Problems When Trying to Adopt LMTs

## Note From the Editor

As I was reading my October copy of *Quality Progress* I read a short piece on how Six Sigma is outpacing lean. One of the statements really struck a chord with me; it said, “The difference in prominence may be due to Six Sigma’s move beyond its roots in manufacturing into other disciplines, while lean remains largely perceived as a tool to improve manufacturing processes.” That being said, I’m pleased to present two perspectives in this newsletter. The first excerpt is from an article that was first published in *The Journal for Quality and Participation* during the summer of 2002. This article focuses on using lean in a healthcare setting. The second article is a summary of a study that was done in Japan in regard to small- and medium-sized manufacturing companies using lean. I would like to thank Alice Haley, ASQ Quality Information Center librarian, for helping with the healthcare article and Robert Austenfeld for submitting a summary from his study in Japan. I would really like to encourage anyone who is working with lean within or outside of a manufacturing process to share your experiences with the rest of our forum members.



Lastly, I wish all of you and your families a wonderful holiday season and a prosperous new year.

Best regards,

Wendy Gomez

*cont. from p. 2*

We set up a two-day value-stream mapping event for them to plan the changes they want to make. It is being held in one of their large primary care facilities. On the first day of the event, the conference room atmosphere is one of expectancy, skepticism, and hope. The attendees are the senior managers (clinical and nonclinical) of the practice which includes marketing, two patients from a patient advisory group, and representatives from primary care management from various Progressive facilities. It is important that all stakeholders be represented so they have a voice in the outcome of the event. We start with a very brief introduction about lean thinking and the types of waste in healthcare.

### Focus is on the patient process

The scope of the value stream Progressive wants to work on is from the time a patient requests an appointment for primary care until he or she comes in for it and leaves the facility. Everyone has a pad of paper and a pencil. We go out as a group and walk the value stream.

**We begin in scheduling.** I discuss with the schedulers what we are doing and that we are looking at the workflow, not at people—we try to help people be comfortable about being observed by us. We observe for 15-20 minutes how scheduling works and make notes on the *muda* or waste we observe. It takes between three and seven minutes to take a phone call and then schedule an appointment. Before we leave, we ask questions of the schedulers about what we have observed and for their ideas for improvement. Mary Wecandoit, RN, manager of this center, tells the value-stream group it takes an average wait of 10 days for a patient to see a physician. These are data we use when we make our value-stream map.

**Then the group moves into the waiting room.** Each person follows at least one patient through the process.

What happens then? Please read the entire article on [www.asq.org/le](http://www.asq.org/le) Click on Forum Library and on Lean.

## Quick Notes

- Call for Success Stories--When it comes to lean, examples of its successful implementation abound. Share your success stories with the lean enterprise forum (LEF) for the greater good. If you have a good story that might not have led to successful lean implementation but offers good lessons learned, please send it in as well. Send your stories to [wendy.gomez@danmer.com](mailto:wendy.gomez@danmer.com)
- Be a Speaker or a Workshop Leader – Put yourself on the lean speakers’ list. The list will be made available to all ASQ sections. Please send your vitals to [lmilanowski@asq.org](mailto:lmilanowski@asq.org) . Include your areas of interest, expertise, topics, whether you expect to be reimbursed, and other Information relevant for potential invitations.
- Faces of Lean – We would like to start “Faces of Lean.” This is very similar to “Faces of Quality” that is found in *Quality Progress* magazine. Please contact Wendy Gomez at [wendy.gomez@danmer.com](mailto:wendy.gomez@danmer.com) if you would like to be featured.
- We would like to create a “Free Stuff” section on our Web site. This might include forms, procedure examples, how to’s, learning exercises, etc., that our members would like to share. Please keep in mind these criteria: no advertising, useable content, decent quality, and it must be up to date. Please submit items to [grockey-johnson@sunmicrostamping.com](mailto:grockey-johnson@sunmicrostamping.com) for consideration.
- We’d like to know if members are interested in participating in a 3-hour café dialog one the Future of Lean. We would need a minimum of 30 people in order to be able to do this. Please contact [lmilanowski@asq.org](mailto:lmilanowski@asq.org) if you are interested.
- Any good lean jokes out there? If you have one, don’t keep it to yourself, share it with the rest! It may even be put in our newsletter or Web site.



600 N. Plankinton Ave.  
 Milwaukee, WI 53201-3005  
 t: 414-272-8575  
 800-248-1946  
 f: 414-272-1734  
 www.asq.org

NON-PROFIT  
 U.S. Postage  
 PAID  
 Milwaukee, WI  
 Permit No. 5419

Lean Enterprise Forum | December 2005 | Volume 4, Issue 2

# WELCOME TO THE LEAN DISCUSSION BOARD

(the best cybernetwork space time can offer)

by *Ginger Rockey-Johnson*

Please let me introduce myself, and tell you about my background and how the Lean Enterprise Discussion Board can give us a great sharing experience that increases our knowledge and improve products. Doesn't that open forum of learning give CEOs, VPs, managers what they are seeking most?...lower costs, more sales, more profits . . . and give us like-minded quality professionals what we seek? . . . consistency, reliability, repeatability, and excellent products. The discussion board is one of the most effective cybernetworking tools that any of us has time for these days! Just makes sense to get the most out of the precious time we have.

My name is Ginger Rockey-Johnson. You can call me Ginger or you can call me Rockey . . . It's pretty much a 50/50 split on which name is used. Either is cool with me!! I have been in a manufacturing environment for more than 15 years now, so I have rightfully earned the Rockey title to have survived that long. While I have always had a hand in Quality departments, my background runs through all departments. I originally started in Human Resources, first in a nonmanufacturing, then in a manufacturing environment. I quickly decided that

in manufacturing all the excitement was on the production floor.

From production scheduling, materials planning, containment management, to running the production floor, I worked the trenches and learned the nuances of a manufacturing environment. A true manufacturing environment . . . all the dirt and pain as well as the dog-and-pony shows that are put on for the sake of customers and auditors.

The experiences gave me a wealth of information and in 1995 when QS-9000 (along with numerous other quality directives) came into effect, I was put on the implementation team. Now, years later, I am a master trainer in the ISO standards as well as an experienced user of all core tools (APQP, MSA, SPC, PPAP, PFMEA, & control plans). I have been developing and streamlining business systems to meet quality standards (including ISO/TS:16949:2002, ISO:14001) into a painless business system that the facility can manage—rather than it managing them.

When lean and Six Sigma came along, I was thrilled!!! Woo-Hoo!!! I quickly jumped into the lean teams and later became a Six Sigma Black Belt. Many of the tools, if not all of them, are used in day to day life. While I am a firm believer in

basic quality principles, I also believe that makes it easy to habitually use them in work life is their agreement with our personal life. So I continue to teach these principles in everyday nonmanufacturing examples. The concepts are well understood and used by each employee. It empowers them! They love it!



While I am just a simple gal with a knack for taking complex ideas and breaking them down into concepts that help others learn, the discussion board is a forum where we can all come to learn from each other. We all need help, from the simple stuff—such as just getting started—to the complexities of Lean Sigma measurables and statistical analysis.

So come on!!! Let's exchange ideas, ask questions, share our experiences, and learn from each other! I am so excited to lead the discussion board in 2006 to be the best sharing and learning experience that a cybernetworking group can offer.

To join in the discussion go to [www.asq.org/le](http://www.asq.org/le), click on Discussion Boards on the left column, click on Lean Enterprise Discussion Board—you will need to sign on with your membership number and password.