Chair’s Message

Hello Lean,

I trust you had a restful and relaxing summer. We hope you attended the ASQ World Conference on Quality and Improvement (WCQI) in Pittsburgh and either stopped by our booth (for your LED t-shirt), hospitality suite, or both. We had a fantastic time again this year! With the upturn in the economy, it appears there are many new people attending this conference who are not ASQ members. We had an opportunity to meet a few, and we were actually able to get them to join ASQ and LED. We had a joint ASQ division booth activity, playing a bingo-type game with about 16 divisions participated. This enabled more people to visit our booth than would of otherwise. Congratulations to our WCQI 2011 winners: Tim Khoury, who won a set of five GOAL/QPC lean memory joggers; and Michael Levenhagen and Carmen Longobardi, who each received $50 ASQ bookstore certificates.

The Sunday prior to the conference we had a successful business-planning meeting, including an update on our programs in collaboration with ASQ headquarters staff. With feedback from the new people who attended this meeting included, it was refreshing to see a division work in cooperation with headquarters, instead of it being a complaining session. Thanks to all who participated and provided their points of view.

Mark your calendars! We plan to be at the 2012 Lean and Six Sigma Conference, in Phoenix, Ariz., from February 27—28, and again host a Café Dialogue, with Lean Certification as the discussion topic. We are hoping this can be a double session, since there were many questions about the new Lean Certification at the last Café Dialogue. We are also planning to host our hospitality suite again next year, so please stop by.

We encourage our LED community to contribute to our educational programs and newsletters. If you are interested in presenting one of our webinars, please submit your abstract and brief biography to Education Chair Don Smith at dsmith@netresults.com. You can be a winner in our next raffle for a $50 Amazon gift card or a conference registration to either WCQI or the Lean and Six Sigma Conference! Please contribute to our newsletter by emailing your article, case studies, and book reviews directly to Education Chair Don Smith at dsmith@netresults.com.

Keep on “leaning” with us,

Kiami Rogers
Lean Enterprise Division Chair
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T³ Tools, Techniques and Templates: Teams

by Frank Murdock, Chair-Elect

T³ Time is a regular feature of the newsletter dedicated to provide quick overviews of some of the common tools, techniques, and templates used to help organizations on their lean journey. One of the foundations for an organization’s lean journey is the way it manages its teams. Teams provide the experience and knowledge to identify all forms of waste. It’s through teams that action is taken to eliminate waste. An organization’s lean journey will only progress if it has high-performing, effective teams.

What is a team?

A team is a group of people working together to accomplish a common goal. Teams can be very large or quite small. However, it is generally recognized that teams any larger than 10 people can become difficult to manage, with five to seven people being the ideal range.

Team Structure

All teams need a leader—someone who can facilitate discussions and help the team make decisions. The team leader needs to be respected by all those on the team, as well as those for whom the team is working. In the case of lean, teams are typically cross-functional, which means that team members represent several different organizations or departments. In fact, this may be the first time anyone from these organizations ever worked with each other.

It is very helpful to take notes during meetings, so having someone act as the team scribe frees the team leader to concentrate on making sure each team member is contributing, anticipating and preventing misunderstandings and potential conflict, and keeping the team on track. To that end, having someone as a timekeeper during the team meetings is also helpful. Too often we find the team leaders doing all of the above. Distributing the workload helps, and is also one of the key responsibilities of the team leader—making sure that everyone is working effectively, taking advantage of each person's knowledge, skills, and personal characteristics (e.g., personality). Remember: one of the eight forms of waste is underutilized people.

The rest of the team is composed of subject matter experts (SMEs) representing their organization on the team. SMEs need to be well respected among their peers and thought leaders in their organization, so that they can best advocate whatever changes the team ends up recommending.

In lean, as in other approaches to improvement, significant improvement cannot proceed without some form of sponsorship—typically by the head of the organization that has the most to gain (or lose) by the success (or failure) of the team’s efforts. The sponsor works with others in management—the stakeholders who are providing their SMEs for the team—to make sure the team has the resources it needs to be successful. The sponsor therefore needs to have the respect and influence to make sure the stakeholders also work together. In organizations where cross-functional teams are common and a natural way of working, the sponsor is typically a peer of the stakeholders. In organizations just beginning to use cross-functional teams, the sponsor may have to be the president or senior vice-president in order to break down the organizational barriers and get people working together to achieve a common goal.

Phases of Team Development

Classically, teams go through four phases of development: Forming, Storming, Norming, and Performing—that is, if they last that long.

• Forming—when a group of people who have not worked together are first assembled as a team, there is a natural reluctance to share, and there is a period where everyone is a bit cautious about what they say and how they act. A lot of personal energy goes into trying to understand where everyone is coming from and how they fit in. It is important during this phase for people to be properly introduced to each other, to understand what their roles are, and how they fit on the team. Some “icebreaker” exercises can help people to get to know each other and work together in a non-threatening way.

• Storming—people start asserting themselves, disagreeing on how things should be done, or misunderstandings develop regarding the “facts” and what the data means. Because this is a natural phase in team development, it is a mistake for the team leader to either ignore what

is happening or to let conflict progress without facilitation and resolution. Simple methods like asking people to not interrupt and encouraging reflective listening (e.g., repeating what you have heard instead of rehearsing what you are going to say in your head) can help. It does not help if the team leader ignores or avoids conflict during this phase since the conflict will arise later, and will be much harder to resolve. Much of the team’s energy is spent managing this conflict instead of working toward the team goals.

**• Norming** – as rules of behavior begin to develop, team members become more comfortable with each other, respecting their differences, and building the behavioral norms that the team will use to get things done. Items like how to run meetings, decision-making, conflict resolution, and processes and procedures for communicating status among themselves and with their stakeholders all get established during this phase. Again, much of the team’s energy is going into this effort instead of effectively working toward the goals. The more the team leader can establish upfront and working with the team instead of just trying to jump in to get the task accomplished, the faster the team will get to the Performing phase.

**• Performing** – many teams never make it this far. Members of high-performing teams almost seem to know how each other think – they seems to be able to anticipate team member needs and fulfill them almost automatically without instructions. Almost all the energy of high-performance team members goes into achieving the team’s goals. When conflicts arise, they are resolved quickly; when a problem occurs, team members swarm the problem and help each other out. This is the ideal state to which teams aspire and can only be achieved through effective leadership and working together through the previous three phases of team development.

**Summary**

Effective teams are critical for the success of any lean initiative—they form the foundation upon which all the other building blocks of lean rest. Teams are, by definition, knowledgeable people/experts in the organization working together to accomplish a common set of goals—to reduce waste and provide the customer which the highest quality product or service in the shortest possible time at a price that represents real value to them. Without effective, high-performing teams, those goals are just words on a page, and impossible to achieve.
Ask an Expert

The Lean Enterprise Division is here to help. If you have any questions regarding lean, just ask. We have access to some of the best minds in lean. These subject matter experts have been practicing lean concepts for many years, have a lot to share, and are willing to field your questions. Some of these SMEs are contributing authors to ASQ’s forthcoming lean handbook.

Are you looking for best practices in SS? Do you want someone to recommend a DVD or book? Do you have questions about setting up a kanban and supermarket? Go ahead and ask. We all have questions related to lean—now we can get the answers.

If you have a question or you are interested in becoming an SME for the division, please contact Tony Manos at anthony.manos@proforeinc.com.

When Survival Wasn’t Guaranteed, “Lean” Led The Way

by Bernie Klemmer, MBA, CSSBB, PMP, Burning Sky Consulting

As a quality professional, I am someone who believes that companies that are focused on delivering quality products, who care about their customers, and who care about their employees will always be successful. When a company’s market share rapidly decreases and demand for a company’s product nearly disappears, however, tough decisions must be made if the company wants to survive. Often this means downsizing. Many companies fail in spite of these cuts because they are no longer able to perform, they produce low quality products, and their customers go elsewhere.

I recently worked with a company in a situation similar to the one described above. Company sales had decreased 90% year over year, and forecasts showed this trend would continue. There was a four-month backlog of orders for production that had yet to start. The tremendous growth the company had experienced over the previous six years created significant overstaffing and purely functional silos. There were no operational performance metrics, and cycle times and budgets were just optimistic guesses. To make matters worse, the company was in the midst of new ERP and CRM systems implementations, which made every day a challenge. Stress levels were very high and morale was very low.

I remember the day our “grass-roots-lean” journey began. I was called into a meeting with the president of the division, along with the other department heads, and I was told that we were going to go “lean and mean”. For a moment, I was excited and thought that they had finally bought into what I had been trying to tell them. Unfortunately, their idea of “lean” was cutting jobs, and their idea of “mean” was doing it that day. I was informed that I was to cut eight people/25% of my staff that day—and that was just the first round.

As I stepped into the leadership role, I was confronted with the fact that while senior management knew there was a problem, no one wanted to try and do anything differently. The status quo was comfortable, and the idea of change was intimidating. Something drastic had to happen. I had identified a number of opportunities where using lean tools and methodologies would make significant improvements by focusing on eliminating waste and creating flow—the two main principles of lean.

One of the main sources of waste I had identified was overprocessing. During the implementation of the new ERP system, we had eight staff members dedicated to entering the sales order information twice—once into the old purchasing system, and once into the new system. When I was presented with the layoff orders, I knew I could eliminate those eight positions if I could create a consensus among senior management. After presenting my case to management, a “go-live” date was determined. The first round of cuts was made, and fortunately I was able to cut staff without directly impacting production.

The next meeting in the president’s office was equally frustrating. I was given the task of ramping up production by 100% so that we could accomplish 40 production starts per month for two months. The only way to accomplish this was to create an optimized flow of information and materials through the value chain.

The company’s rapid expansion had created an environment of “operational chaos”. There were no standard policies or procedures, no universally accepted scheduling tools, no performance metrics being monitored, and no “issue escalation” mechanism in place. Every unit that went into production was handled as a custom order, and everything had to cross the desk of one individual before it could move on. I called this “anti-flow”.

In the home building business, there are outside forces that dictate when a house can begin construction. I performed an analysis of the external forces and used the information to develop a “drum beat” that we could use in the production system. After creating a value stream map and performing some analysis with my team, we were able to identify a number of opportunities for rapid improvements. We were able to eliminate a number of inspections. We had system “power users” cross-trained to handle any issues that came up. This allowed the line staff to continue with the processing of the standard orders. A visual operational dashboard was created that allowed everyone to have full visibility of what was coming
their way, what they should be working on, and what the next station was waiting on. The cross-trained staff was also able to identify any bottleneck in the flow and focus their attentions on eliminating the bottleneck using resource balancing techniques.

We even attempted to improve morale by labeling our efforts the “Who Let the Dogs Out” initiative. The goal was to not only alleviate the tension of the group, but to also bring some recognition to the team for working so hard. Every time someone completed their work packet for a unit, they would grab their dog toy and give it a “squeak”. By the middle of the first month, each squeak led to a 30-second chorus of chirping toys, and an occasional blast of the song overhead. Senior management was thrilled when we met our goal, and we finished the 80 units four days early.

The housing market was one of the hardest hit sectors in the economy. Over the course of the next six months, more rounds of layoffs occurred. Some of the developments filed for Chapter 11 protection. While the company is still in existence, it is still struggling to overcome a lot of the same issues. The only reason the business did not fail completely was because of the use of lean tools and methodologies.

Quality practitioners want their quality initiatives to improve business, to produce opportunities for growth, and manage the maintenance and creation of jobs. I am a firm believer that lean is the best way to improve performance rapidly. Ideally, a lean initiative is an enterprise-wide program, with support and resources dedicated to the implementation. However, when time is short and failure is not an option, lean must be an option, regardless of the environment. Lean is a journey that has to start with the first step.

Leans—The Newest ASQ Certification

First in a Series

by Mark Paulson, ASQ CMQ/OE, CQE, CQA, Lean Bronze (AME, SME, ASQ, and Shingo)

The newest certification available through ASQ is the Lean Certification. This certification comes with three progressive levels (Bronze, Silver, and Gold), and has roots in three partner organizations. The Lean Certification program was designed and developed by three alliance organizations—the Society of Manufacturing Engineers (SME), the Association for Manufacturing Excellence (AME), and The Shingo Prize for Operational Excellence. In the spring of 2010, ASQ joined this collaborative alliance.

The partner organizations came together with the goal to lead industry in the development of a internationally recognized professional credential that:

- Differentiates and progresses with lean knowledge and competency
- Provides a standard methodology for measuring lean knowledge and its application
- Focuses on the development of lean professionals
- Facilitates alignment of lean practices

The process involved active participation from 160+ lean practitioners for its development. It was validated through a study early 2005 (with a follow-up study in 2007) and was launched in 2006. The certification is more than just an exam. It also requires evidence of practice through portfolios that demonstrate both the candidate’s knowledge and application of knowledge.

The three levels of certification are:

- **Bronze** – Lean from a Tactical level
- **Silver** – Lean from an Integrative level
- **Gold** – Lean from a Strategic level

The levels are progressive: Bronze must be achieved prior to Silver, and Silver achieved prior to Gold.

The Shingo Model provided the basis for the certification program body of knowledge (BoK). The BoK is based on the four dimensions of the Shingo Prize: cultural enablers (people), continuous process improvement (process), enterprise alignment (alignment), and results. The progressive certifications have different weightings in each dimension to reflect the level of lean involvement.

Lean Certification Classroom Review Sessions—What’s in It for You?

As you consider “going for gold,” you need to evaluate the best way to get there. The Lean Certification (SME/AME/Shingo Prize/ASQ Partnership) path begins with Bronze certification, and it has been proven that one of the best ways to Bronze certification is to attend one of the Lean Certification classroom review sessions. This class provides attendees with these four very clear benefits:

1. A full understanding of the foundation of the Lean Certification program, the requirements for the three levels—Bronze, Silver, and Gold—and providing clarity as to what it takes to achieve each level.
2. An understanding of the tools and what it take to pass the Bronze exam.
3. Step-by-step directions of the requirements for a completed portfolio and an understanding of how to submit an excellent portfolio for review.
4. The opportunity to attend a seminar with like-minded lean professionals who are on the same path and who are willing to share their experience as you position yourself to complete the certification process.

The two-day classroom review session helps the student understand the body of knowledge; practice exams and exercises are given to the participants; and an excellent foundation is provided to complete the full certification program. Classroom review sessions are offered throughout the year across the country. To find out more, go to the Lean Certification website at www.sme.org/leancert. For a list of the classroom review programs, click the appropriate link in the box on the right of the Web page.

Anthony J. (Tony) Praza, LBC
AME North Central Vice President

Lean Bronze Review Course and Exam Preparation Tips
The Executive Guide to Understanding and Implementing Lean Six Sigma: The Financial Impact

Robert M. Meisel, Steven J. Babb, Steven F. Marsh, and James P. Schlichting

Item: H1303
Member Price: $20.00
List Price: $34.00

This book provides a fundamental introduction to the concepts of lean enterprise and Six Sigma to executives, personnel new to quality, or organizations interested in introductory information on quality and process improvement. It is intended to be a helpful guide on implementing and optimizing an integrated Lean Six Sigma approach focused on realizing return value and bottom-line impact. The principles of lean and Six Sigma are introduced and discussed separately and through an integrated approach across the book’s three chapters.

Manufacturing and non-manufacturing firms who are just getting started or contemplating a Lean Six Sigma initiative will find this book especially valuable. To aid in illustrating the application of these principles to diverse and global businesses, various case studies have been selected and included to demonstrate how the prescribed tools and techniques can accommodate and enhance a wide variety of customer relationships throughout the value chain. Examples taken from manufacturing, banking, and local government sectors demonstrate the broad spectrum across which Lean Six Sigma can be used as a framework to foster improved performance and ensure continued customer satisfaction and loyalty.

Lean—The Newest ASQ Certification cont. from p. 5

The Lean Certification program tests lean principles and practices across the cognitive types of:
- Knowledge: recall/comprehension
- Application: applied knowledge (e.g., problem solving)
- Judgment: using knowledge and application to choose the best of four possible answers in the exams

The certification process is being used by manufacturers in all industries. Healthcare and service companies and organizations are using it as an outcome assessment as well. The partnership of organizations provides the added benefit of larger recognition of the program and its associated certifications, especially in the international arena.

Benefits to individuals:
- Provides a widely recognized and transportable lean certification credential.
- Documents your knowledge and skill to show that you qualify for new roles and responsibilities.
- Guides your personal lean journey, with process steps defined.
- Offers opportunities to obtain mentoring to help you build your lean skills.
- Provides opportunities to learn through mentoring others.

Benefits to companies:
- Provides a consensus-based tool for measuring proficiency of lean practitioners.
- Identifies true lean experts, removing uncertainty when engaging a consultant or hiring an employee.
- Helps align lean practices within the company, through supply chains and across industries.
- Provides customers with confidence that the organization’s continuous improvement efforts will be effective.

The Lean Certification program offers refresher classes taught by trained facilitators certified in the level they are teaching, and have access to training materials that are reviewed and updated regularly. The last update of the refresher class materials was in June 2010. There are approximately 5,000 people currently engaged in the Lean Certification program.

The Lean Certification has many of the same aspects as the other ASQ certification programs. It has a defined body of knowledge (BoK) in alignment with the ASQ lean BoK, includes an open-book multiple-choice exam, requires a knowledge foundation in the form of training and education requirements, and offers a refresher class for Bronze applicants. The major difference is the additional requirement for experience portfolios that document the individual’s role in lean projects and the associated results.

The portfolios are progressive and increase in scope and impact at each level of certification. Portfolios are peer-reviewed and scored. This requirement is similar to the project affidavit that is currently required for the ASQ CSSBB certification program, and its submission is a requirement to sit for the associated exam. In addition, there is a requirement at the lean Silver and Gold levels for applicants to mentor and/or coach others in the principles of lean.

There is also an education component to the certification process, similar to the work experience required for several other ASQ certifications. This includes a minimum of 80 hours for Bronze, 80 additional hours for Silver, and an additional 40 hours for Gold.

As an ASQ member that has been through the certification process in the past, I found the Lean Certification to be similar to the others with regards to the exam. The extra documentation through the portfolios was not difficult, requiring a couple of hours to document my participation in lean projects. It was an interesting exercise to reflect back on the various lean principles and tools I had used over the years, and was documented in my submitted Portfolio Reflection page.
Note From the Editor

Over a year ago, Starbucks embarked itself on a “lean” journey. Taking into account the quality principles of lean, Starbucks was trying to streamline their operations in an attempt to make themselves faster while at the same time giving their customer a quality experience. There have been customers that have said how disappointed they are with Starbucks going “lean.” What is interesting about this is the contradiction of the Starbucks experience being changed by a quality principal. Their service quality is being questioned due to trying to be more efficient. Many Starbucks consumers would rather wait a bit longer for their “custom” cup of coffee than to feel like they are just being rushed for the sake of time. Here is an interesting example of a service company having issues due to trying to adapt a quality principle. While I myself am an avid Starbucks customer and appreciate the improvement changes they are trying to make, there has been something lost when it comes to their service level. The question I pose to our readers is, “Can lean always be applied successfully?” Clearly Starbucks has the means to research and train on a myriad of things. Also, they have shown that they were able to implement and execute a lean way of operating in their stores. However, it can be argued that something may have been lost along the way.

Best regards,

Wendy Gomez
The Wayne Paupst Memorial Scholarship

by Don Smith, Chairman, LED Education Committee

In August of 2010, the Lean Enterprise Division (LED) lost an important member of the “LED family”: LED Division Chair Wayne Paupst, who lost a long battle with cancer. Wayne was a quality professional’s “quality professional.” He never complained about his condition. In fact, many of us on the Leadership Team who worked closely with Wayne were not even aware of the severity of his condition. Wayne had a kind word for everyone, and possessed a wonderful sense of humor. Wayne was always ready with a joke, and always ready to laugh at jokes offered by others.

It was during Wayne’s tenure as LED Division Chair that ASQ published the Lean Certification, in partnership with SME, AME, and the Shingo Prize organization. To honor Wayne’s memory and his contributions to ASQ and the LED, the LED Leadership Team has decided to change the name of the program under which an LED member can receive a complimentary registration to either the Lean and Six Sigma Conference in Phoenix or ASQ’s World Conference on Quality and Improvement—Winner’s choice. The complimentary registration is awarded to the winner of a random drawing, chosen from authors of a lean-related article, case study, or book review during that year’s award period that are accepted for publication in the LED newsletter. Having received approval from ASQ, henceforth this award will be known as the “The Wayne Paupst Memorial Scholarship”.

*Please Note: Members of the LED Leadership Team, listed on the Division’s organization chart, are not eligible to receive this award.