Chair’s Message

Nearly 12 years ago, a handful of forward-thinking and committed individuals decided to organize a group of lean professionals. This group knew that building a community of experts required tapping into consultants, authorities, students, sponsors, and practitioners. This extraordinary effort, made by our founders, eventually became known as the ASQ Lean Enterprise Division (LED).

At the 15th Annual ASQ Lean and Six Sigma Conference held in Phoenix, AZ, this March, ASQ LED was able to demonstrate that a small group, with a big vision, can accomplish anything!

The conference was represented by 44 states throughout the United States as well as the District of Columbia and the U.S. Virgin Islands. In addition, delegates from 15 different countries including Austria, Belgium, Canada, China, Egypt, India, Indonesia, Jamaica, Japan, Lebanon, Mexico, Nigeria, Saudi Arabia, Sri Lanka, and the United Kingdom attended. People from all over the globe were eager to participate, contribute, and learn about lean and Six Sigma.

As LED moves forward as a dynamic technical community, we will continue to increase our impact by partnering with like-minded associations. We hope to more fully embrace digital and social communities and form stronger international alliances. We are actively developing initiatives that should increase attendance with our younger professionals and students. As a member of LED you have the opportunity to be part of a new exciting future. Our broad educational programs are meant to support life-long learning. Our initiatives are already being noticed and will only help enhance your membership.

If you are attending the 2015 World Conference on Quality and Improvement in Nashville, TN, please stop by our booth. We have great door prizes and fun activities planned for our members. I look forward to meeting you personally. If you are not planning to attend this year, be aware of all the ways you can participate in our organization as a volunteer or leader.

Terra Vanzant Stern
2015–2016 Lean Enterprise Division Chair

About Lean Enterprise Division Chair

Terra Vanzant Stern, Ph.D., PMP, SPHR/GPHR, is a Six Sigma Master Black Belt who has studied in the United States and Australia. She is the author of HR Concepts for Project Managers, Lean Six Sigma Practical Bodies of Knowledge, and Lean Six Sigma: International Standards and Global Guidelines. Her next book, Lean & Agile Project Management, will be published in June 2015. Vanzant Stern served as ASQ Denver Section chair and co-chaired the 2013 ASQ Rocky Mountain Quality Conference. She is currently the president and owner of SSD Global Solutions, a firm dedicated to increasing critical thinking skills by using basic project management practices, lean thinking, and Six Sigma methodology.
Letter From the (Guest) Editor

Surprise, I am back! Your new editor, Scott Smith, was gracious enough to allow me to come back to serve as guest editor on this issue, which was an idea I had last year and never got around to completing before I handed over the reins to Scott. I am pleased to present our first ever themed issue; that theme is Lean in Government.

In this issue we feature an expanded update of a previous article on lean government by LED chair Terra Vanzant-Stern entitled “Lean Government International.” We look at the five-year (so far) successful implementation of lean in King County (Seattle), WA. Lean Bytes concludes with a press release relating to lean success in the state of Colorado. As government is at its core a service provider, the T3 for this issue is on the Kano model of service excellence. Finally, we Learn From the Experience of … Simon Sinek.

We also provide a recap of our Lean and Six Sigma Conference and a preview of World Conference on Quality and Improvement in the Lean Bytes section. Additionally included is a brief description on our upcoming webinars.

Thanks as always for taking the time to read our newsletter. Please stop by our booth if you are at the World Conference in Nashville, TN, this year and say hello.

Kind regards and safe travels,

Lance B. Coleman
Guest Editor

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Upcoming Webinars

**May**

**The Power of “Go to the Gemba”**
Michael Balle, author of *The Lean Manager*
Register Now: https://attendee.gotowebinar.com/register/1773394973267523329

**June**

**Structuring Standard Work:**
Making Standard Work Work Better
Jeff Hajek, author of *Whaddaya Mean I Gotta Be Lean*
Register Now: https://attendee.gotowebinar.com/register/4021758813116021249

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Newsletter Publishing Guidelines

**Main Factors**
1. Technical merit
   - Includes correct facts
   - Relevant to our mission
2. No selling of services
3. Nothing offensive
4. Original content only. Nothing previously published or presented.

**Additional Factors**
1. Not too similar to something recently done
2. Desired subject matter – how timely is material?
3. Well written (not requiring extensive editing)
4. Needed length

**Categories** – Newsletter submittals should fit into one of the following categories:
- A Case for Lean (ACL) – case studies and articles on successful deployment of lean in business
- Lean in Life (LIL) – examples of lean outside the workplace
- Tools, Tips, and Techniques (T3) – practical applications of specific tools
- Lean in Print (LIP) – book reviews
- Lean Bytes (LB) – event coverage, announcements, and other news

**Length** – Desired length for tips, book reviews, articles and case studies is 600 to 1,200 words. Tips and book reviews would be in the 600- to 800-word range, articles in the 800- to 1,200-word range and case studies 1,000+ words. If a submittal goes beyond 1,200 words then we may look at breaking it into more than one part. For longer submittals, there is also the option of writing a 1,200- to 1400-word piece for our quarterly lean column in Six Sigma Forum Magazine.

**Review and Selection Process** – All submitted works will be reviewed by at least two members of the subcommittee. The subject for a book review should be approved in advance by either two members of the subcommittee or by the subcommittee chair. Upon approval of a submitted work, the subcommittee forwards the piece on to the ASQ LED newsletter editor for final review, approval, and release. The newsletter editor will determine when accepted articles will be published.

**Other** – All articles containing photos should be submitted with the photo(s) as a separate jpeg attachment.

**Calendar/Main Theme(s)**
(Submittals relating to the main theme receive priority)

<table>
<thead>
<tr>
<th>Issue</th>
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<tr>
<td>February 1</td>
<td>Submit content by December 1 – preview of Lean and Six Sigma Conference</td>
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<tr>
<td>May 1</td>
<td>Submit content by March 1 – preview of ASQ’s World Conference on Quality and Improvement</td>
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<tr>
<td>September 1</td>
<td>Submit content by July 1 – training, certification, and back-to-school</td>
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<tr>
<td>December 1</td>
<td>Submit content by October 1 – year-end reflection/looking ahead to next LSS conference</td>
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Volunteers Wanted! Contact membership chair Matt Jones at matt@optimumoutput.com if interested in volunteering.

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Lean government implies a new attitude that examines complex bureaucratic systems with the intent of simplifying procedures and reducing waste. Several government agencies have discovered that the lean approach has enabled them to make complicated processes function better, faster, and more cost-effectively.

The U.S. Environmental Protection Agency (EPA) is a strong advocate of lean government. The EPA recently published several successful case studies. The International City/County Management Association (ICMA) supports a program to assist local government organizations with implementing lean. ASQ advocates the adoption of lean and/or Six Sigma within the U.S. federal government. Several U.S. political figures have also endorsed the lean initiatives.

During the 81st General Assembly in the state of Iowa, legislation was passed that authorized the Department of Management to create the Office of Lean Enterprise. In the January 2012 Colorado State Address, Governor John Hickenlooper remarked that almost every department had initiated a lean program in order to identify waste/inefficiencies and create savings. Colorado House Bill 11-1212, was passed to integrate lean government principles. This bill promotes incorporating lean practices, as well as training state employees to be lean experts within the state of Colorado.

Clearly, the practice of lean government is becoming more and more popular in the United States. Examples of government agencies with active lean departments include but are not limited to:
- U.S. Department of Defense (DOD)
- U.S. Army
- U.S. Department of Agriculture (USDA)
- U.S. Department of Housing and Urban Development (HUD)
- U.S. Nuclear Regulatory Commission (NRC)

Lean government practices are also moving abroad. In Sweden, the Migration Board is widely regarded as one of the most prominent public authorities to have adopted the lean model. In 2009, Singapore Housing and Development Board teams used lean tools to provide award-winning customer service.

Using lean tools, government entities can expect to:
- Eliminate or dramatically reduce backlogs
- Reduce lead times
- Decrease the complexity of processes
- Improve the consistency of reviews or inspections
- Benefit from better staffing allocation

The challenge with implementing lean government is that most government departments are organized around functions rather than processes. In many cases, necessary resources are not located in the same building, and cross-training programs are generally not supported. Changing or modifying this dynamic alone drastically reduces waiting time, redundancy and/or rework, but the concept is not always met with enthusiasm.

Lean government supports the idea of creating work cells. A work cell is formed by placing all of the necessary resources in one area. Work cells permit cross-training opportunities and reduce both rework and redundancy. Work cells can better manage the first-in-first-out (FIFO) process, generally increasing citizen satisfaction. Work cells are designed to improve process flow, eliminate waste, and promote standardization.

**Value Stream Mapping**

A basic premise of lean thinking is to study the value of the work people do and directly connect it to the quality of service provided for the citizen. These activities may cause stress among employees who have not been enlightened by the merits of lean. Employees may fear job loss or loss of control in their daily activities.

The following activities should be observed with a high level of sensitivity:
- Core processes
- Current systems that are managing these processes

**cont. on p. 5**
People involved in these processes
Innovation possibilities
In the initial process, value stream mapping (VSM) can be extremely useful for governmental agencies. VSM refers to the activity of developing a visual representation of how a particular process, product, or service flows through the system.
VSM also identifies timeframes, handoffs, and resources involved throughout the process. VSM, similar to flowcharting, has a set of symbols that represent various processes, materials, and information; however, VSM symbols are not standardized, and there are several variations. New VSM symbols may be created, when necessary, or verbiage may be placed inside a rectangular box in order to provide an explanation regarding that step. Once the map is created, it is easier to identify areas of overt as well as hidden waste. Bottlenecks, redundancy, and rework are also more apparent.

Kaizen
In the beginning, another useful tool is kaizen events, also known as rapid improvement events (RIEs). The idea behind kaizen events is to identify process improvements that can be implemented immediately. Kaizen events are designed to yield quick results. The ancillary benefit is that this often increases employee buy-in and morale.

Kaizen events typically bring together a cross-functional team for three to five days to study a specific process. It is important that the members of this team have the ability to make decisions for their group since commitments are made during this session.

Kaizen events are conducted by a facilitator who walks the group through a model for process improvement. Often this model is plan-do-check-act (PDCA). Depending on the nature of the project, the define, measure, analyze, improve, control (DMAIC) model may be used. Proprietary models, such as select, clarify, organize, run, evaluate (SCORE™) may also be used to conduct the session. Additionally, there is the more traditional and simplified kaizen approach that promotes:

- Assessment
- Planning
- Implementation
- Evaluation

In the assessment phase, the major goal is to determine the critical-to-quality (CtQ) factors. After a consensus is reached on the CtQ factors, the next step is to develop metrics. In the planning phase, the process improvement intervention is discussed. In the implementation phase, the process improvement is implemented and monitored. Finally, the evaluation phase measures the results based on the metrics developed during the assessment phase.
The success of any rapid improvement event depends on:

- Teamwork
- Personal discipline
- Employee morale

In addition to RIEs, another way to kick off a lean government program is by initiating a workplace organizational model such as the 5S. Similar to a VSM, the 5S model offers visual validation. Comparable to a kaizen event, 5S can be completed in a relatively short period of time.
The 5S model uses a list of five Japanese words that start with the letter “s”—sort, set in order, shine, standardize, and sustain—when they are roughly translated into English. The 5S model is also used to organize physical space in such diverse areas as healthcare, warehouses, and retail.

Lean IT
A new term used more and more often in government services is lean IT. Although lean principles are well established and have broad applicability, the move to IT is still emerging. Lean IT will increase in use as more governments go online to deliver better services. Although many governments have already made the move to electronic files, the method used to manage these files often mimics manual systems. This makes retrieval of critical data difficult and cumbersome. Lean IT for government will allow these services to be more user-friendly and easier to audit.

Work-in-Progress
In government services, the most challenging task is managing work-in-progress (WiP). There is a common belief that work received cannot be completed within a short timeframe. This is often true because governmental systems are set up to collect data but often lack the discipline to act quickly on the data collected. One value of lean is that, when used properly, daily processes and activities are immediately identified in the value stream. Knowing how many permits are issued in a particular period or being able to calculate a future need is the first step in process improvement. Easy information-gathering tools are used that do not require a vast amount of training or instruction to be effective. Lean uses ordinary metrics to calculate results. When WiP is increased, productivity and quality generally decrease. The immediate goal becomes reducing WiP.

Six Sigma in Lean Governments
Most lean government projects share the same goals:

- Increase citizen satisfaction
- Optimize the value delivered to the public
- Involve employees in the continual improvement effort
- Develop consistent metrics that are clear and concise

Types of governmental projects that have benefited from implementing lean and/or Six Sigma include improving:

- Documentation management
- File archiving
- Inventory management
- Payment process
- Permit process
- Security clearance

Lean government starts with a vision. In the United States, the lean government leadership vision is usually to provide an efficient environment where citizens are satisfied and employees are happy. Internationally, the happiness factor is often not regarded as an element, and citizen satisfaction is second to governmental control.

One common factor with international lean government is the commitment necessary for upper management to motivate the workforce. Another common factor is that this cannot be achieved without some sort of map that outlines the ongoing process. Nevertheless, in many cultures, attaining a map or verbal validation of the current process is nearly impossible.

Lean government can benefit from methodology and tools normally...
Lean Government International
cont. from p. 6

associated with Six Sigma. For example, lean government favors the PDCA model for problem solving; however, many problems in government are far too complex to benefit from this model.

Some governmental issues may need a more robust model such as the DMAIC model or a Design for Six Sigma (DFSS) model used in Six Sigma and Lean Six Sigma programs. Six Sigma and Lean Six Sigma tools that effectively analyze root cause or performance capability may also be beneficial.

Lean government, like Lean Six Sigma, also takes full advantage of other business management tools that include balanced scorecard; strengths, weaknesses, opportunities, threats (SWOT) analysis; and benchmarking theory.

The purpose of lean government is about contributing to overall citizen satisfaction. This is accomplished by optimizing value and by delivering services faster. Lean government involves employees in the problem-solving process and uses performance metrics to measure success.

Colorado House Bill 11-1212 provides a solid explanation of lean principles, which may be applied to any public sector entity. It states:

“Lean government principles means a continuous and rapid process improvement of state government by eliminating a department’s non value-added processes and resources, providing feedback on process improvements that have the purpose of increasing a department’s efficiency and effectiveness, and measuring the outcomes of such improvements.”

Internationally, as well as domestically, awareness of the government infrastructure is necessary before attempting to initiate a process improvement. The hierarchy, hiring policy, and labor responsibilities need to be considered as well. Paying attention to diversity and remembering lean principles will ensure lean government success.

The Lean Z Method for Governments

SSD Global Solutions recently developed a quick and simple method for the public sector that may be used to organize projects. This diagram is referred to as the Z method because the quadrant should be followed in a Z pattern.

In other words, current critical to quality (CtQ) initiatives are captured first. This is followed by future CtQs. Once future CtQs are recorded, a cost of poor quality (CoPQ) statement is developed for each future CtQ. Finally, things that must be done, now or in the future, but are not a CtQ, are recorded.

A CtQ, covered in more detail in other chapters, is essentially something that contributes to the success or satisfaction of a process improvement project. They are often related to speed, quality, or cost. Customer requirements are, by default, CtQs.

In the diagram at left, the practitioner or facilitator should first write down CtQs that must be done by the end of the day. Anything that is a CtQ but can be done the following day is recorded under future CtQs.

The CoPQ statement in the next quadrant is specifically related to the future CtQ. What would happen if this CtQ was not accomplished? This may be a finance issue but may also be a simple risk statement. Finally, a to-do list is completed.

Items need to move directly from the future CtQ list to the current CtQ list periodically and are prioritized on the basis of the CoPQ statement. The final quadrant activities are things that need to be done even though there is no urgency. These items may be accomplished last or when there are short downtimes such as delayed meetings.

References and Resources


Working Smart for Environmental Protection: Improving State Agency Processes with Lean and Six Sigma, National Center for Environmental Innovation.
Like so much in lean philosophy, the Kano model is really a way of thinking that can be applied to everyday situations. These thoughts are then given concrete application through the use of varied and diverse tools. The Kano model is a theory of product development and customer satisfaction developed in the 1980s by professor Noriaki Kano, a student of Kaoru Ishikawa (of Ishikawa diagram fame). It is unknown what specific events precipitated the use of this powerful philosophy. This tool is used as a means to:

- Prioritize critical to quality (CtQ) characteristics (those most important to the successful function or fulfillment of purpose) of a product or service as defined by the customer
- Identify implicit as well as explicit customer needs.

Kano analysis looks at customer service and the benefits of delivering exceptional value to the customer through the vehicle of delightful service. The Kano model recognizes four states: nonperforming (failure), basic “must haves” (cost of entry into the marketplace), performing (more is better), and exciting or delightful service (surprises and delights the customer). This is shown visually in the Kano diagram below. The x-axis of the Kano model is labeled “desired characteristics” and the y-axis is labeled “customer satisfaction.” Use of this model stresses the fact that we need to provide desired characteristics as a priority and that our success is measured against customer satisfaction. However, it should be noted that, though often spoken of in terms of service environments, Kano is equally applicable in manufacturing settings. It is also equally applicable whether applied to an organization or to an individual.

“Nonperforming” speaks for itself, so I won’t go into that here. Per the Kano model, a company providing “basic must haves” is meeting basic customer requirements. It is meeting minimum customer expectations. Without providing “basic must haves” to the customer, companies wouldn’t stay in business and employees wouldn’t keep a job. Basic customer requirements are uncovered through market research, surveys, interviews, focus groups, customer feedback, and other similar activities.

“Performing” occurs once an organization hits its stride and begins to move along the performing continuum; improving over time through economies of scale, continuous improvement efforts, and other factors. Evidence of performance could include any or all of the following: the service or product costs less; is delivered more swiftly; and/or has incorporated improvements. It is important to note, however, that even when minimum requirements remain the same, minimum expectations begin to rise as performance improves over time. Information on performance expectations is derived by field visits, customer feedback, external failure reports, internal failure reports, benchmarking, and other similar activities.

One concept that I found initially hard to grasp, but that made sense once I thought about it, was that customer satisfaction does not necessarily mean customer loyalty. Customers can be satisfied with a product or service and still go elsewhere for the sake of convenience, price, or some other reason. The goal of every organization should be to transition through the stages of innovation development, branding (name recognition), customer satisfaction, and finally on to customer loyalty. Customer loyalty is what drives active referrals and increases business. That is what organizations should be seeking. The Kano model sets this as an up-front goal to be attained by delivering “delightful” service.

Delightful service surprises and excites customers by exceeding their expectations. Sometimes delightful service means bringing a project in early or under budget, or with higher than expected quality. Sometimes delightful service means anticipating customer needs that the customer might not even realize that they have at that point in time (innovation). Henry Ford is known to have famously said, “If I had asked my customers what they wanted, they would have said a faster horse.” So how do we anticipate customer needs? Through market research combined with trend analysis, customer feedback, benchmarking, and by concentrating on the end purpose of the service or product.

Delivering better and better performance “raises the bar” on expectations, yet does not guarantee customer loyalty.

Thanks to Chris Hayes of Impact Performance Solutions for the use of this image.
My first exposure to the concept of delightful service came some years ago, though I didn’t know anything about Kano or even lean at the time.

My wife Lorraine and I went on an Alaskan cruise for our 15th wedding anniversary. Whenever we left the cabin, our beds were made and turned down with candies put on our pillows. This was not the delightful part. This was somewhat expected. Once, we forgot something in our cabin and headed back before we got to the stairway at the end of the hall. We were shocked to find that the deck attendes had somehow already been in our cabin and “done their thing” without us even seeing them leaving as we were coming back down the hallway.

As the cruise progressed, my wife and I made a game of coming back unexpectedly on occasion to see if we could catch sight of one of the “elves,” as we began to refer to them, tidying up our room, but we never did. Toward the end of the cruise I did finally see one of the attendants (not coming out of our cabin though). I greeted him and tried to give him a tip, which he politely refused. When I thanked him for the excellent service that he had provided, do you know what he responded? “It is my pleasure to serve you.” WOW. How cool is that? Pleasure in service. What an amazing concept that helps deliver memorable, or dare I say it, delightful service. Twelve years later, I remember with great fondness that trip and that conversation. This memory helps remind me that the really cool thing about providing delightful service is that it makes the giver as well as the recipient feel good about the transaction that has transpired.

OK, so now that we know that delivering a delightful product or service is a good thing, and we’ve gotten through all of the “touchy-feely” parts of this column, what does this mean in practical terms as far as applying this concept in practice? What are the tools that we can use during our everyday activities to drive our organizations toward the delivery of a delightful product or service? The key factor to remember is that the customer must be taken into account at every phase of project implementation and at every level of the organization.

- Use of the Hoshin Kanri X and quality function deployment matrices are excellent ways to flow down not only customer specifications, but also end-user needs, from executive-level strategic planning to daily process operations and monitoring.
- Brainstorming along with the use of cluster, Ishikawa, and affinity diagrams are excellent ways to identify and sort through possibilities.
- Flowcharts, process maps, and value stream maps are all powerful visual tools to show how work flows and to identify any bottlenecks or unnecessary waste in organizational processes. They are also very helpful in understanding a given process and are often used to assist with training.
- Risk assessments, decision trees, and even multivoting are ways of setting priorities.
- Critical path method and Gantt charts are ways to keep projects on task.

Finally, it is critical to establish tactical measurable objectives that flow down from organizational strategic goals, which are in turn tied to meeting both customer identified (contract and specifications) and unidentified (function and use) needs.

- Tools such as control charts, histograms, and pie charts are all used to monitor process outputs and inputs and provide a source of data for management review, analysis, and decision making.

**Conclusion**

Through the pursuit of providing a delightful product or service, organizations can benefit not just their customers, but themselves as well; providing delightful service is not just “a nice thing to do.” It is a strategic objective with long-term benefits all on its own, for both organizations and individuals. So how do you arrive at this destination? By embracing the Kano philosophy and by using lean, quality, and Six Sigma tools to implement this philosophy. It must be pointed out though that exceeding customer expectations does not simply mean giving “more” or “extra.” There must be value for the customer in the “additional” service or product provided at the time it is presented. Otherwise an organization is generating the waste of over-processing. This can be a fine line of distinction at times, but it is essential for the successful organization to know where that line resides for each of its relationships.

In short, Kano is an attitude, transformed through introspection into a point of view and mad manifest through the use of lean, quality, and Six Sigma tools. Finally, I would like this article to serve as a reminder to continue to ask yourself the questions: Am I—is my organization—providing the best possible value to the people and institutions that we interact with on a daily basis? And if the answer is no, why not?

**About the author**

Lance Coleman is a quality engineer and lean program leader at The Tech Group in Tempe, AZ, where he also serves as site CAPA and customer complaint coordinator, in addition to managing the internal quality audit program. Coleman has a degree in electrical engineering technology from the Southern Polytechnical University in Marietta, GA, and is an ASQ Senior member as well as Certified Six Sigma Green Belt (CSSGB), Quality Auditor (CQA), and Biomedical Auditor (CBA). He is the author of The Customer-Driven Organization: Employing the Kano Model (Productivity Press). He is an instructor for the ASQ CQA exam refresher course and also presently serves as newsletter editor for both the ASQ Lean Enterprise and Audit Divisions. For questions or comments email him at lance@fullmoonconsulting.net.

http://www.amazon.com/Customer-Driven-Organization-Employing-Kano-Model/dp/1482217104/ref=sr_1_1?ie=UTF8&qid=1421450676&sr=8-1&keywords=the+customer+driven+organization+employing+the+kano+model

**Key point**

When a state of delight is achieved (from the customer’s perspective) then each of the following conditions will exist to some extent.

• Element of surprise or unexpectedness
• Exceptional value
• Pleasure in delivery of the service
Lean Bytes

2015 ASQ Lean and Six Sigma Conference

We had another great conference with more than 500 attendees from 40 countries. During the conference we launched the LED Learning Series, our online, blended, and live lean education and training program. The first course is Lean Essentials, which contains 11 lean-related modules that either be purchased and accessed as a course or as individual modules. Included in the module options is one free module on Introduction to Lean. For more information or to access the content, go to http://asqled.qualitycampus.com/cloud/index.asp.

The following prizes were given away to 13 out of 46 attendees who completed our brief survey.

<table>
<thead>
<tr>
<th>Name</th>
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<tr>
<td>Kellie Chenault</td>
<td>Lenovo Tablet</td>
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<td>Ross Wagner</td>
<td>Customer-Driven Organization</td>
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<tr>
<td>Marvin Taylor</td>
<td>Lean Memory Jogger</td>
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<td>Carla Forrest</td>
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<td>Memory Jogger for Healthcare</td>
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The conference turned out to be a great educational as well as networking opportunity, and a good time was had by all. We hope to see you in Phoenix, AZ, next year!

2015 ASQ World Conference on Quality and Improvement (WCQI)

With more than 100 sessions and workshops for you to choose from, WCQI remains the premier quality and continuous improvement conference in the world. Each session will present real-life applications, solutions, and results based on quality principles, while the workshops allow you to dive deeper into quality theories with hands-on learning activities. The After 5 sessions will even demonstrate how quality can be translated into social activities. The International Team Excellence Awards will provide additional opportunities to benchmark and learn from the successes of others. With attendees from almost every state in the nation and from around the world, networking opportunities abound. The broad focus themes this year are:

- Innovation
- Leadership
- Risk and Change
- Practical Application of Quality Tools, Techniques, and Methodologies
- The Future of Quality

Please come by our booth, introduce yourself, say hello, and hear about the conference networking event that your division is sponsoring. To register, or for more information, go to asq.org/wcqi/.

2015 AME/CME Conference

Registration is now open to attend the largest lean event in Canada in 2015 in Winnipeg, June 1 – 4. The Association for Manufacturing Excellence (AME) and Canadian Manufacturers & Exporters (CME) will be delivering a world-class lean conference with 36 best-practice practitioner presentations, six keynote speakers, 18 plant tours, and 16 preconference workshops. This conference will provide attendees with a first-rate learning experience that will show them how to save both time and money and how continuous improvement impacts the bottom line. For full details visit www.lean2015.com.
CDOT Lean Process Improvement Program Recognized as 2015 Harvard Ash Center Bright Idea in Government

February 18, 2015 - Statewide Transportation Plan - DENVER – The Ash Center for Democratic Governance and Innovation at the John F. Kennedy School of Government, Harvard University, recognized today the Colorado Department of Transportation’s Lean Process Improvement Initiative as a part of the 2015 Bright Ideas program.

To make government more effective and efficient, CDOT launched a lean process improvement program in 2011. The effort builds the creative and inventive skills of front-line employees to improve larger, cross-functional processes through lean rapid improvement events and smaller ones through lean Everyday Ideas.

This year’s Bright Ideas cohort includes 124 programs from all levels of government—school districts; city, county, state, and federal agencies; as well as public-private partnerships—that are at the forefront in innovative government action. CDOT’s Lean initiative was selected from among 500 applicants.

“The lean program has had an incredible impact on improving business processes so CDOT can better and more efficiently serve our customer,” said outgoing executive director Don Hunt, who helped initiate the programs. “By engaging all of our employees in this effort we were able to take processes that have a real impact to our customers and make them faster and more responsive.”

Through the lean program CDOT now:

• Hires employees 17 percent faster, getting qualified employees to work more quickly
• Issues oversized and overweight permits 30 percent faster, enabling commercial vehicles to get their goods to where they need to go
• Reimburses transit project grantees 75 percent faster, getting dollars to benefit customers more quickly
• Uses inventions by CDOT employees to improve environmental safety through a new hydraulic fluid holding box, to improve safety to more quickly repair delineator posts, as well as many more employee-innovated Everyday Ideas

“The Bright Ideas program demonstrates that often seemingly intractable problems can be creatively and capably tackled by small groups of dedicated, civic-minded individuals,” said Stephen Goldsmith, director of the Innovations in Government Program at the Ash Center. “As exemplified by this year’s Bright Ideas, making government work better doesn’t always require massive reforms and huge budgets. Indeed, we are seeing that, in many ways, an emphasis on efficiency and adaptability can have further-reaching effects than large-scale reforms.”

This is the fourth cohort recognized through the Bright Ideas program, an initiative of the broader Innovations in American Government Awards program. For consideration as a Bright Idea, programs must currently be in operation or in the process of launching, have sufficient operational resources, and must be administered by one or more governmental entities. Nonprofit, private sector, and union initiatives are eligible if operating in partnership with a governmental organization. Bright Ideas are showcased on the Ash Center’s Government Innovators Network, an online platform for practitioners and policymakers to share innovative public policy solutions.

“It is an honor to be recognized by the Ash Center,” adds Gary Vansuch, CDOT director of process improvement. “Everyone, every day, is involved in enhancing the services and programs provided to the public. At CDOT, we use lean and our existing resources to create more value in the work we do on a daily basis by ensuring our processes are effective and impactful.”

For more information about process improvement at CDOT, visit: www.codot.gov/business/process-improvement.

About the Ash Center for Democratic Governance and Innovation

The Ash Center for Democratic Governance and Innovation advances excellence in governance and strengthens democratic institutions worldwide. Through its research, education, international programs, and government innovations awards, the center fosters creative and effective government problem solving and serves as a catalyst for addressing many of the most pressing needs of the world’s citizens. For more information, visit www.ash.harvard.edu.
“Leaning Forward” in King County

In Brief
What might a rock music-loving liberal democrat and affluent conservative former republican have in common politically? A passion for lean and what benefits it can bring to the residents of King County (Seattle), Washington. Read on to learn about the strategies, successes, and stumbles encountered during a five-year (to date) lean journey undertaken by the King County, Washington, government.

A recent trend reported on both National Public Radio (NPR) and in The New York Times (NYT) shows previously unlikely pairings of conservative and liberal groups being able to put aside hot-button issues and work together to address issues of import to all constituencies within their community. Five years ago a similar scenario played out in King County, WA. King County executive Dow Constantine and his deputy Fred Jarrett are an unlikely political pair. Constantine is a liberal Seattle democrat and rock fan, while Jarrett is a former republican and retired Boeing manager from Mercer Island (one of Seattle’s “high rent” districts). What brought them together in 2009 was a desire to make things better for the citizens of King County and the belief that lean was the best way to do it. The two men ran against each other in the 2009 Executive Primary; then when Constantine won the final election that November, he reached out to former rival Jarrett to join his team.

Expected severe budget cuts and resulting reduction in essential service, plus possible layoffs, prompted not just a willingness but a push to try something new and different to address countywide problems. That “something new” was lean, the more than 60-year-old continuous improvement system formerly known as the Toyota Production System. This system was developed by Toyota in the 1950s as a way to reduce waste, shorten cycle time, and thereby improve quality. Many different programs were considered for implementation, but with a proven track record of more than 60 years, plus Jarrett’s familiarity of the potency of the program through his employment at Boeing, lean implementation was finally arrived at as the most likely effective solution for county problems. With its successful reputation and lack of need for costly investment in infrastructure to get started, lean was a natural fit for a struggling county in a country still in the midst of the Great Recession. After all, who wouldn’t want to do more with less, in a shorter period of time, and at lower costs? The question was, though, could lean live up to its reputation?

King County’s lean implementation plan embraces cross-functional engagement as a means for “lean continuous improvement to improve service to customers, develop employees, and help address the gap between expenditures and revenues. The county needs more capacity to produce as much public value as possible with constrained resources.”

2011 experimentation with kaizen events facilitated by consultants loaned from Boeing provided successful results and generated support to establish in 2012 a four-person King County Continuous Improvement Team (CIT). The team consisted of a director, two experienced lean practitioners/coaches, and a program coordinator. The new team was located within the Office of Performance, Strategy and Budget.

According to CIT director Jim Chrisinger, much of the lean tool kit was used during the successful deployment with the most commonly used tools and methods being “kaizen events, visual management, process walks, standard work, A3 thinking, rounding, value stream mapping, 5S, and small-scale front-line improvement.”

Some Significant Achievements …

- More than $12 million tied up in inventory made vehicle maintenance in the metro transit system a prime target for a lean initiative. A four-day kaizen event kicked off an ongoing lean improvement project. That first event tested several new inventory management approaches, resulting in a 40 percent reduction in inventory at Ryerson Transit Base, one of eight transit bases in the system, in the first six months. Lean learnings and the culture of improvement are spreading systemwide; in a little more than one year, the work has brought the inventory dollar value down nearly 20 percent across all transit bases. According to chief of materials Rocky Brannan, in addition to the learning curve in applying the tools, there was also some initial inertia to get over caused by “skepticism from people who have been through improvement efforts before without success.” Added CIT lean specialist Lauri Owen, the diversity of work performed on a variety of equipment often made the work “more craftsman like,” which added its own unique challenges. The image, below, shows a 5S workshop that was part of the effort.

- A3 problem solving was used to deliver more health services to county residents, despite budget cuts and increased demand for services. Selective creation of standard work in community health services was a contributing factor to this success. Successes and insights garnered at any one community health site were shared cont. on p. 12
across 10 sites, providing an effective internal benchmarking system. According to Michelle Pennylegion, the shift in focus to “seeking deep understanding of two to three key metrics” led to the “use of data in new and creative ways.” Forums for sharing knowledge among the same disciplines from different sites helped build excitement.

- Director Ken Guy and deputy director Carole Basile worked with CIT lean specialist Jay McNally and lean consultant Tracy O’Rourke of Integris Performance Advisors to successfully overcome an organizational structure within the finance and business operations division (FBOD) where “people and budgets ran vertically, whereas processes ran horizontally.” By breaking through silos within their own division, as well as between their division and others, more efficient operations and better costing were achieved. Important to this success was the fact that all employees received some level of lean training so that they could better understand this new way of doing things and become engaged.

Based on previous success and the need to expand the program to meet demand, the original four-person team has now grown to 12, and the focus has shifted from kaizen events and point improvements to a more thorough approach that encompasses countywide strategy deployment, department level operational transformation, and daily management in the gemba (as shown in Figure 1).

**Lessons Learned**

- Adequate preparation for success. At times, after successful completion of projects, requests for CIT support far exceeded available resources and stalling momentum.
- The importance of soft skills, i.e., creating an environment where employees feel respected, empowered, and are encouraged to “fail forward.” This environment positively impacted both management and front-line employees. According to Sarah Hopkins, “the principle-based nature of the training, especially respect for the individual, resonated with county employees.” Says Rocky Brannan, transit vehicle maintenance chief of materials, “Embracing lean philosophy has allowed managers to listen to and interact with staff in a way that they might not have been able to in the past.”
- Training management on how to have “crucial conversations” lessened the sting of spotting weaknesses that need to be addressed in a particular area. This is an often overlooked but important soft skill, as Carole Basile, deputy director of FBOD stated, “You don’t go into accounting because you like having difficult conversations.”

- Per King County deputy executive Fred Jarrett, “While not a surprise, the insight coming from the last four or five years’ experience at King County has been cycle time. Building support through the legislative process during a very fiscally challenging time is slow and reduces the organization’s capacity to learn new behaviors. That means we self-teach rather than importing consultants. Slower, but owned and with a higher likelihood, Deming’s constancy of purpose in a sector with consistent leadership churn.”

**Keeping Momentum**

Lean training provided department supervisors and managers to develop lean project implementation capability within different functional areas. King County employees can...
subscribe to the gembagram, a monthly e-blast as shown in image at right, sharing lean news from the county and around the world. Another innovative program supporting lean implementation is the A3 Fair (see image at right), launched in FBOD in 2014, which provides examples of successfully completed A3s and teaches attendees how to use the tool regardless of functional group within the county. Other activities also regularly take place such as a lean book club, lunch-and-learn activities, and agency-to-agency lean tours.

Next Steps

- Expanded lean leader training will continue to develop lean project implementation capability within diverse county functional areas.
- CIT will continue to look for new opportunities to apply lean tools and methods to continue to drive improvement.

A bit of advice from King County deputy executive Fred Jarrett for other government organizations considering lean implementation.

“Implementing continuous improvement in the public sector is different in many ways from the private sector. Markets provide clear information regarding product success or failure, and P&Ls keep a focus on product delivery.

“Public organizations typically have no analogous measures. Budgets typically focus on spending and, to the extent success is measured, outcome metrics tend not to be robust or systemic. Consequently, implementing lean can result in local improvements, which can’t be strategic (investing in the right places) or benefit the public served (benefits are internally focused not externally focused).

“For lean to provide benefits in the public sector analogous to private firms, public organizations must measure QCDSM [quality, cost, delivery, safety, morale] and measure the success of their policy initiatives.”

Conclusion

The core elements leading to success of lean implementation in King County are respect for the individual, leadership support, and engagement, adequate allocation of resources, as well as employees feeling confident enough to feel free to “fail forward” while doing experimentation in search of improvement. I would like to thank the following individuals for taking time out of their busy (and productive) schedules to allow me to interview them and for providing information on lean activities in King County.

- Carole Basile, Deputy Director Finance and Business Operations Division
- Jay McNally, CIT Lean Specialist
- Tracy O’Rourke, External Lean Consultant with Integris Performance Advisors
- Michelle Pennylegion, Regional Health Administrator, Community Health Services
- Sarah Hopkins, Acting Regional Health Administrator, Community Health Services
- Rocky Brannan, Chief of Materials Management, Metro Transit Vehicle Maintenance
- Lauri Owen, CIT Lean Specialist
- Will Wilson, CIT Communications and Coordination
- Fred Jarret, King County Deputy Executive

For more information on lean in King County contact lean@kingcounty.gov.
How did you get interested in leadership?

It was an accident. I fell into it. My work began, years ago, when I owned a small business and fell out of love with what I was doing. I lost my passion; it was a very dark period. I made a discovery of a naturally recurring pattern, which I call The Golden Circle. Every single organization, and even our own careers, function on the same three levels: what we do; how we do it; and why we do it. I knew what I did and how I did it, but I could not tell you why I did it. I became obsessed with finding my why. I discovered my why through introspection and by working with people I trusted who helped me piece together the common patterns and themes of the times I felt at my worst and at my best throughout my entire life. Once I found my why and could articulate it, it changed the course of my life and I experienced passion like I never had before. I began sharing the idea with friends and watched as they made crazy life changes for the better. As I received more invitations to share The Golden Circle, I came to realize the concept was more about how leaders operate and communicate.

What have you been recently reminded of that is important to remember when practicing leadership?

I am constantly reminded of “Leadership 101,” which is just the importance of people, the importance of your team. At the end of the day, leadership is about people and the camaraderie you’ve built in the calm seas that bears fruit in the rough seas. We are not defined when times are good; we are defined when times get tough. Unfortunately, too many leaders are more preoccupied with how fast the ship is going in the calm seas instead of building their crew (people) who are the ones who save them in the rough seas. Numbers never come to the rescue—people do.

If you were going to explain to someone (or an executive) what in your opinion leadership is, what would you say?

It is not my opinion. There is an anthropological definition of leadership, which is taking care of the people in your charge. It is like a parent. If you are the alpha or the strong one in the tribe, it is your job to take care of those in the tribe, so they can go do the work to the best of their ability. The biggest misconception of leadership is leaders are not responsible for the results, leaders are responsible for the people who are responsible for the results. This is not my opinion; this is where human beings came from. This is how humans are designed.

What do you think is the biggest misunderstood concept concerning leadership within society?

People think leadership is being in charge and leadership comes with rank. It does not! The only thing that comes with rank is authority. I know a lot of people who have authority but are not leaders. We do what they tell us, because they have authority over us, but we wouldn’t follow them. I know a lot of people who have no authority, but they’ve made the choice to look after the person to the left of them and look after the person to the right of them; and that’s what makes them leaders. Leadership is a behavior and a skill.

Learning From the Experience of … Simon Sinek

By David Behling, LED Program Chair

This column brings you interviews with top lean, improvement, and leadership thought leaders.

I recently had the pleasure of speaking with Simon Sinek, an unshakable optimist, who believes in a bright future and our ability to build it together. Sinek is described as “a visionary thinker with a rare intellect,” and teaches leaders and organizations how to inspire people. With a bold goal to help build a world in which the vast majority of people go home every day feeling fulfilled by their work, Sinek is leading a movement to inspire people to do the things that inspire them. A trained ethnographer, he is the author of two books: the global best seller, Start With Why: How Great Leaders Inspire Everyone to Take Action, and his newest book, the New York Times and Wall Street Journal best seller, Leaders Eat Last: Why Some Teams Pull Together and Others Don’t.
If you could have an organization adopt only one leadership behavior or teach only one leadership skill, what would it be?

Empathy: Put the lives of others before your interests. It is a skill that must be learned and practiced. If someone is having performance issues, do you threaten to fire them if they do not improve or do you ask “Are you OK?” If someone is struggling, do you stay late to help them? If you ask someone “How are you doing?”, do you actually care about the answer? Empathy is a skill you develop like a muscle; the more you do it, the stronger it gets.

What is your greatest concern about the leadership movement?

We need a leadership movement. I would say we have a weak bench. Look at public companies by themselves. We have people who call themselves leaders, and yet young analysts, who have never run a business before in their lives, easily sway them. What happened to leadership? What happened to courage—standing up for vision and cause? They are not leaders; they are just managing the numbers. We have a lack of leaders. In our society, we falsely believe that someone with fame and fortune is a leader. Fame and fortune is not a qualification for leadership. They can be byproducts, but somehow we’ve confused them.

What is the biggest opportunity for leadership in today’s world?

The biggest opportunity for leadership today is leadership. We all have the choice to be the leaders we wish we had. We all have the opportunity to lead. The most remarkable and fulfilling thing we can do in our entire life is be a leader. We can impact the lives of the people around us and, in so doing, impact innovation in business. We have the ability to actually strive for and build a vision bigger than ourselves. We all have that opportunity; it is available to all of us, no matter our level.

I would like to, once again, thank Simon Sinek for providing his time to conduct this interview.

About the author:

David Behling has been involved with the Lean Enterprise Division leadership team since the division was first created in 2007. Throughout his career, he has gained process improvement/lean and quality experience by helping companies define and create value for their customers, transforming cultures, and building lean leadership. He is currently the director of process improvement at Goodwill Industries of Southeastern Wisconsin and Metropolitan Chicago, a nonprofit community organization, in Milwaukee, WI.

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