

# ***The Courage to Lead a Lean Journey***

***September 15, 2010***

***Virginia SPQA  
28<sup>th</sup> Annual Virginia Forum for Excellence  
Richmond, VA***

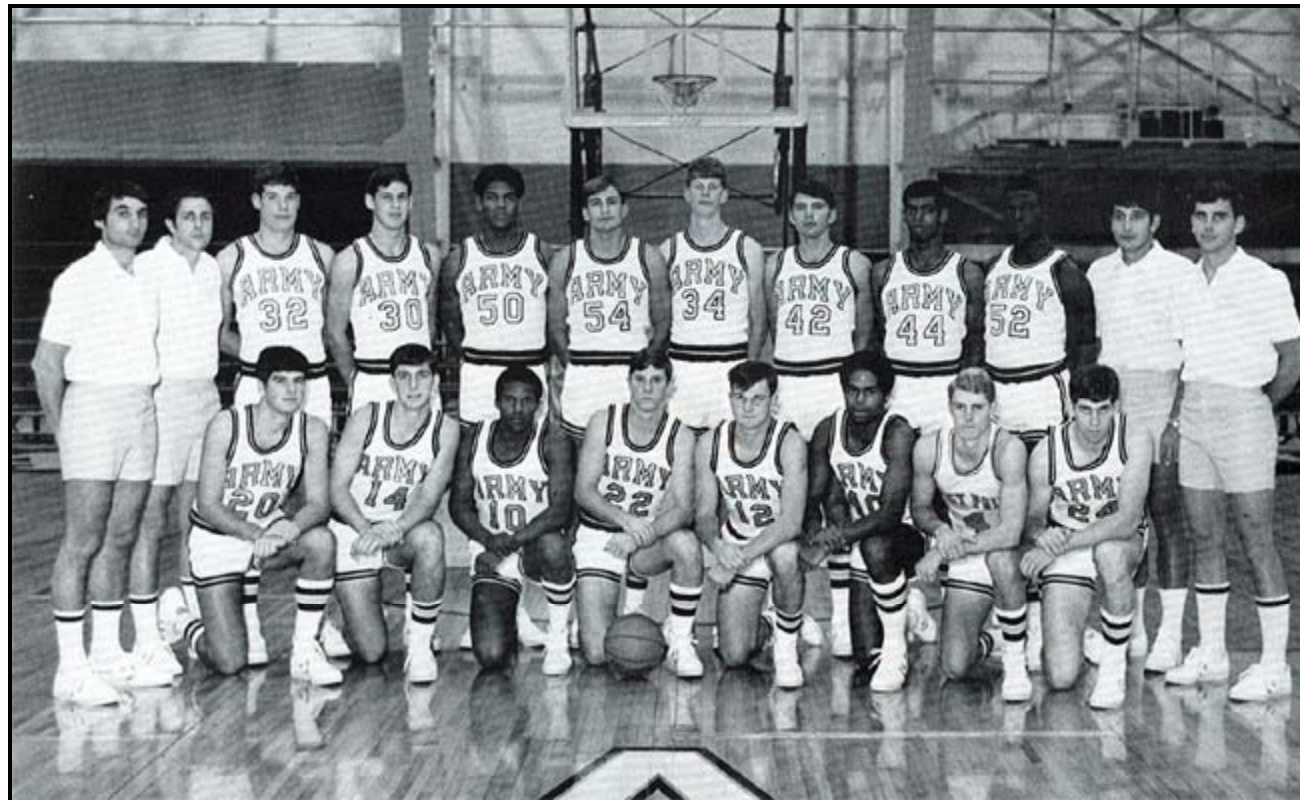
***Presented By: Joseph C. Barto, III  
Founder and President  
TMG, Inc.***

# Core Beliefs

- **Start with the end in mind! ...take a Systems Approach**
- **Be in the business of making hard things easy...not easy things hard.**
- **People are good and want to do the right thing**
- **It is the organization's responsibility to create an environment for its people to be successful...and our people's vote counts more than ours.**
- **If you believe the workers can only be as good as their leader then you also believe leaders can only be as good as their leaders!**
- **Every organization has an un-limited bandwidth for change**
- **Culture vs. Change and Leading**
- **Change Requires Trust —Trust Requires Stability—Stability Provides the Foundation for Continuous Improvement— Continuous Improvement means we Win and Win BIG!**
- **Business is a Team Sport**
- **Turf, Ego, and \$\$\$ and the end of the day it is about...**

# Army Basketball Team

## 1976-1977





September 2009  
Army Sports Hall of Fame Induction Ceremony

## Task Force 2-4 Cavalry Tactical Operations Center Team Feb 21, 1991 - Northern Saudi Arabia







Team Barto  
June 2010

# Duke Medical Center



Team Barto: Rich Scherr and Kitty Lockhart  
August 2010



Team TMG  
September 2009



# Business is a Team Sport

- Think Hard: Are we organized for success and doing the right things?
  - Right People: Individual Talent vs. Team Character
  - Right Plays
  - Right Rules
  - Right Positions
- Work Hard: Are we executing the plays?
  - Putting the right people with the right skills in the game to run the plays
  - Motivating them to produce and Win!
- Talk: Communicate
  - Everything is constantly changing
  - Providing Aggressive Leadership

# FEAR

# Lean Culture Shared Assumptions

## Vision and Mission

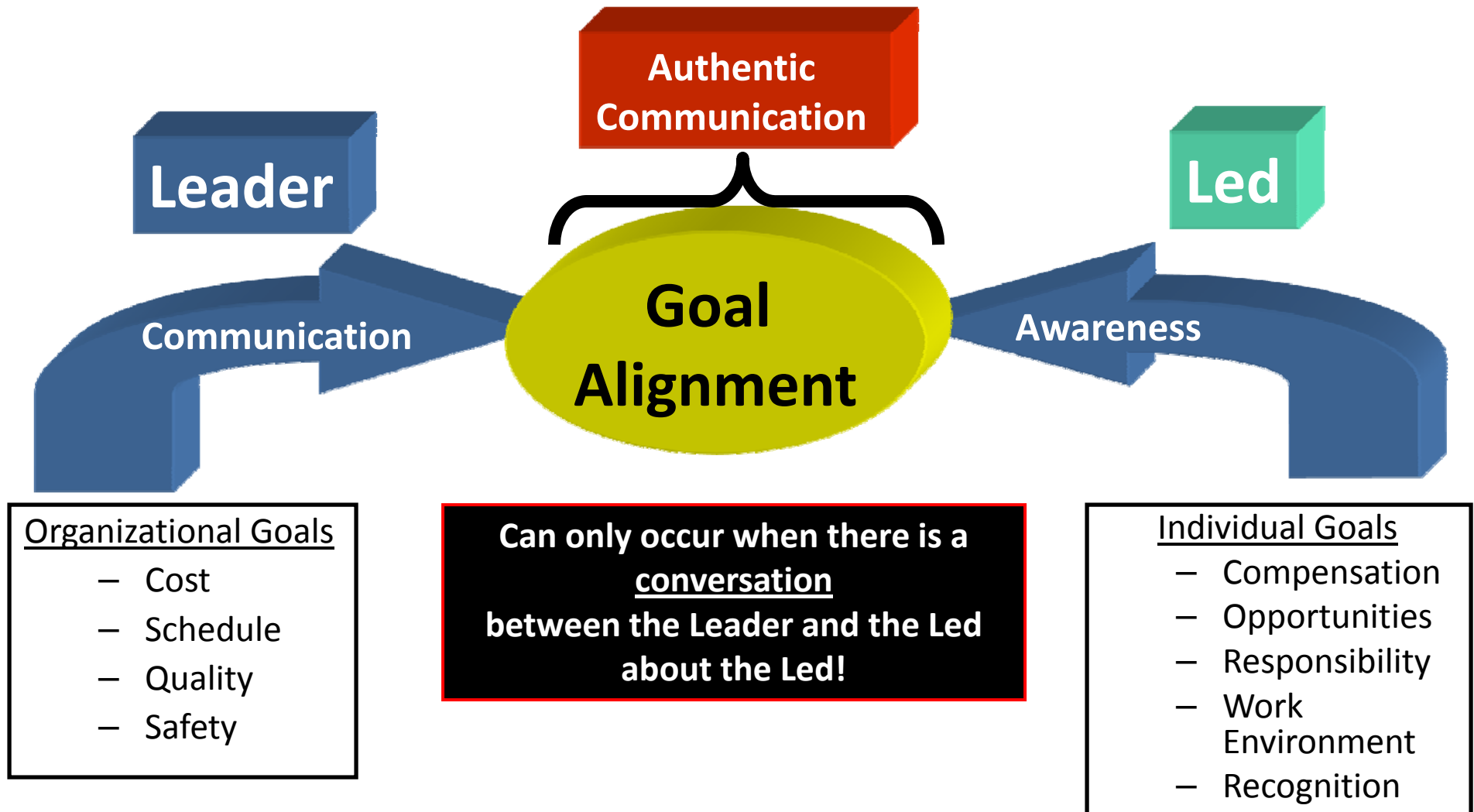
- Leadership without a Goal is irrelevant. (Goals)
- Goals without a Plan encourage activity not productivity. (Plans)
- Plans align the team and assign responsibility and authority from the Senior Executive to the value creating Teammate. (Accountability)
- Alignment shows every team member what they need to do everyday for the team to Win. (Alignment)
- The Team Wins when every team mate is engaged to execute the plan. (Engagement)

***Engaged Leadership Reduces Uncertainty and  
Increases Situational Awareness***

# “Trust”

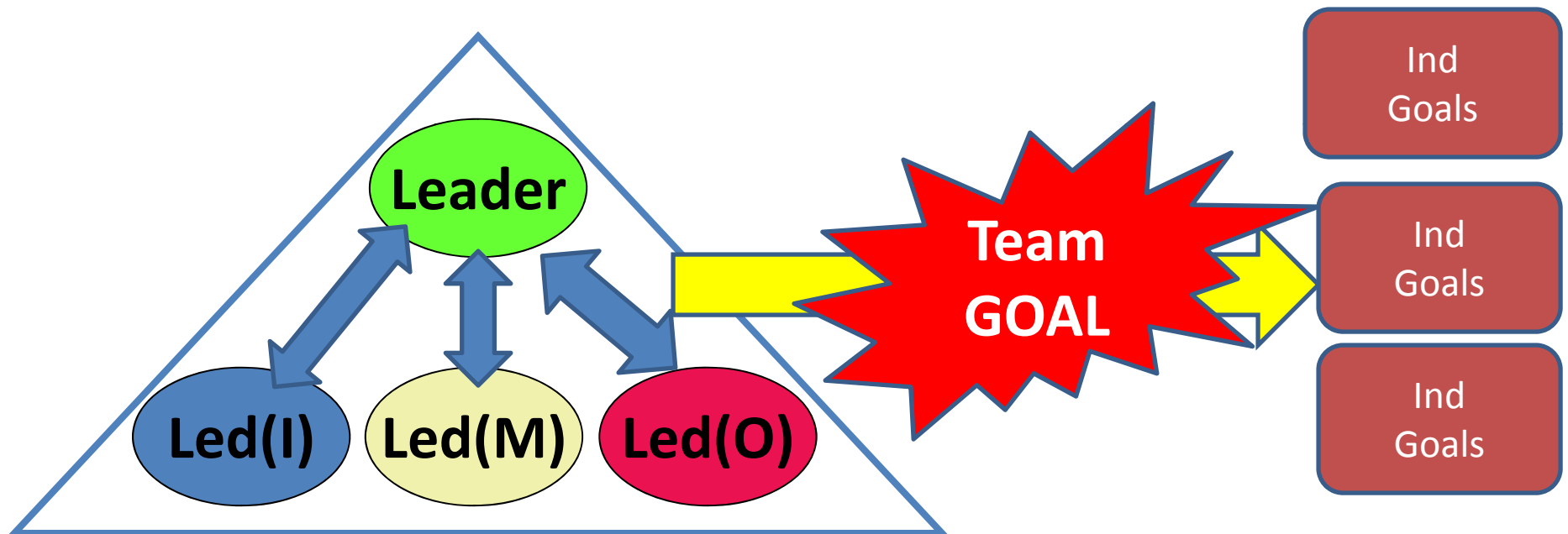
- Exists in very personal, irrational, and operationally volatile terms between the Leader and the Led
- Trust is a function of Situational Awareness
- High Trust increases SPEED and decreases COST
- Low Trust decreases SPEED and increases COST

# Leader to Led Linkage

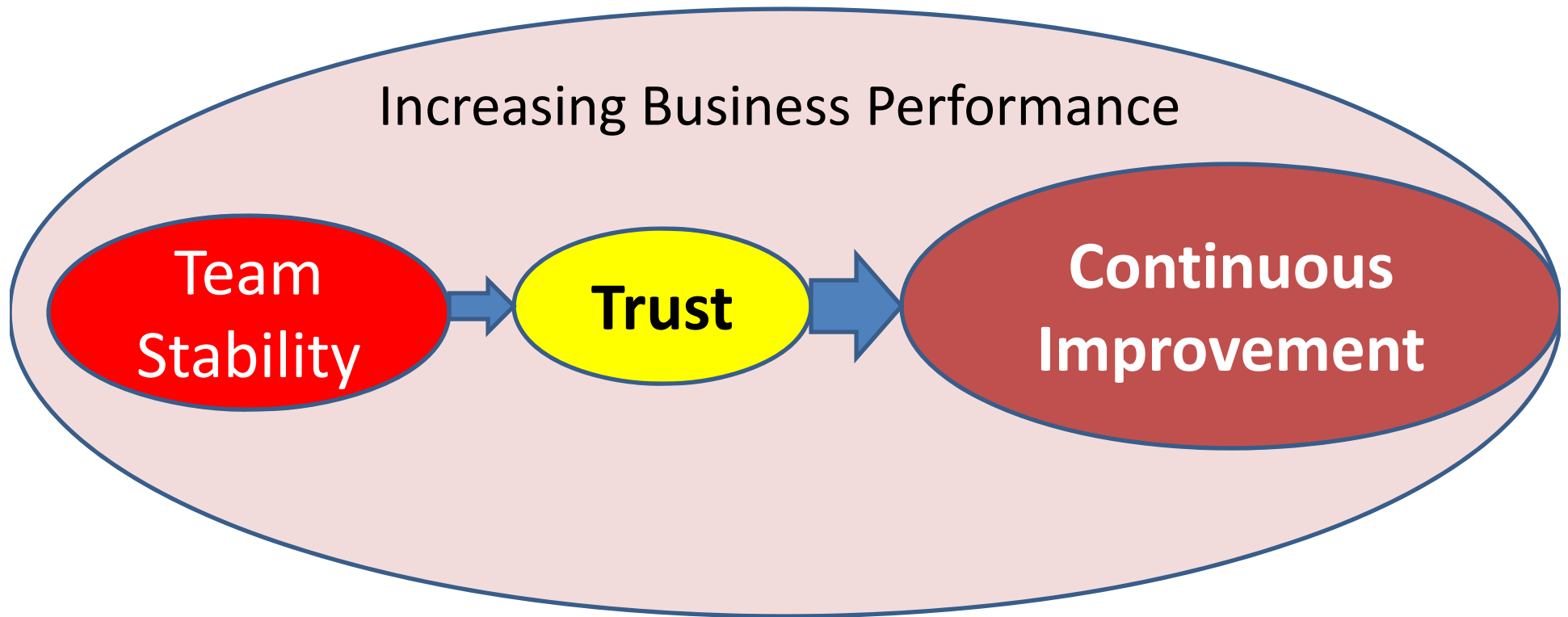




# It is All About the Relationship Between the Leader, the Led, and the Goal



# First Things First



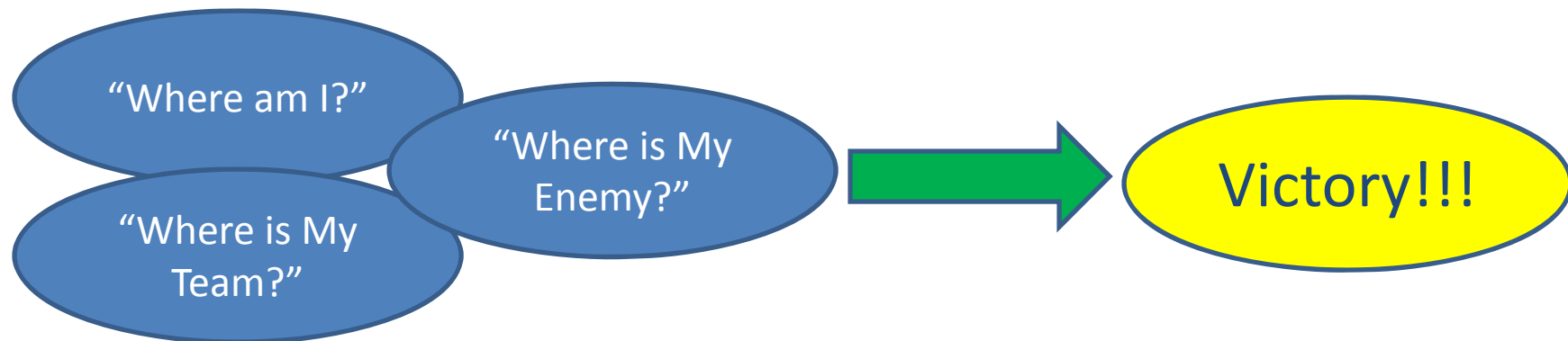
**Customer Demands, Suppliers, or Shareholders will always induce variability and  
UNCERTAINTY!!!**

# Courage = Situational Awareness

Near Perfect Situational Awareness

=

Near Perfect Decision Making



*The Geometry of the Battlefield*

# WHO before WHAT

What group represents the biggest risk for the future of your business?

(Rank Order with 1 the Highest Priority)

- \_\_\_ Hourly Workforce
- \_\_\_ 1st Line Supervisors
- \_\_\_ Plant Middle Management
- \_\_\_ Plant Managers
- \_\_\_ Executive Staff



Which part of the People Value Stream requires the most urgent attention?

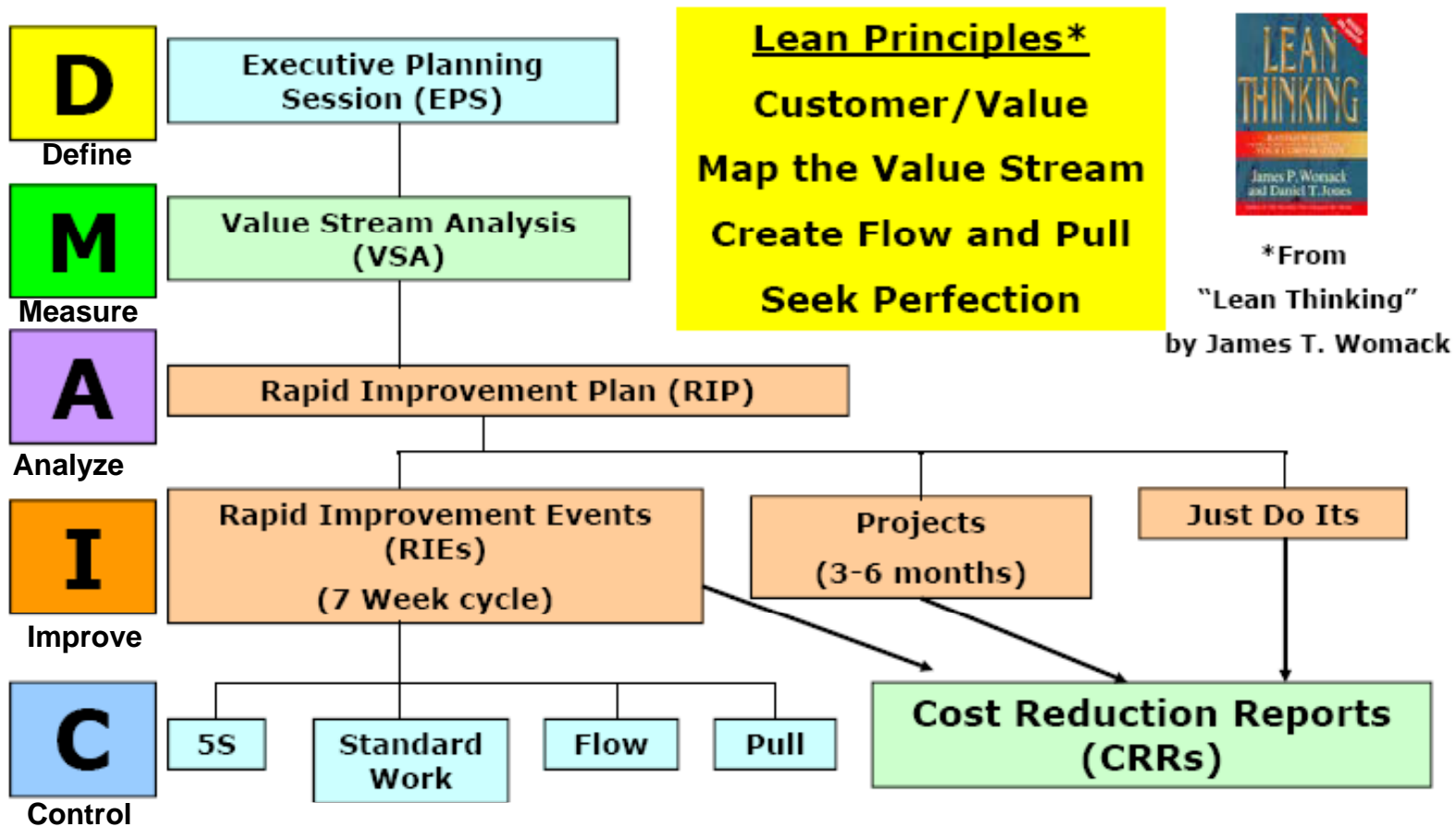
(Rank Order with 1 the Highest Priority)

- On Boarding (e.g. Acquiring New Employees)
- Incumbent Production Workforce
- Line Supervisors Performance Improvement
- Building Future Leader Benchstrength
- Executive Leader Development

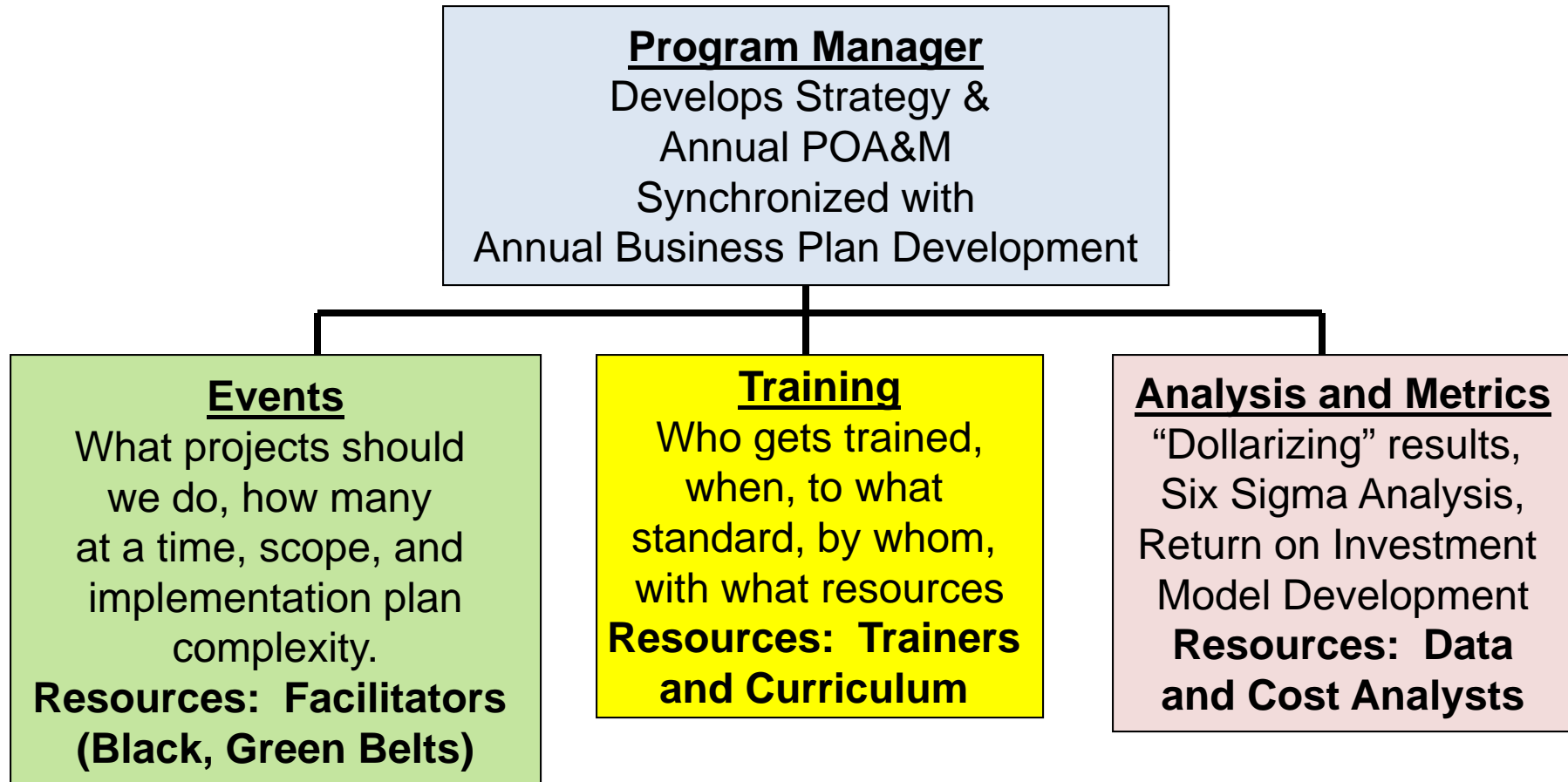
# Common Current State Issues

- Operational Responsibilities have exploded, yet no clear articulation of those roles and responsibilities
- Leaders can't see the process through the data haze
- Lots of 'stick' if you mess up the data/admin; very little 'carrot' to be out in the patch LEADING
- Cultural bias for solving today's problems right now – not necessarily in priority order based upon biggest bang.
- “5 Year Old Soccer” Crisis Management Culture creating waste in the Leadership Bandwidth

# Lean Process Chart



# Continuous Improvement System Organization



# Continuous Improvement Roles

## Lean PM Team

- Enables successful deployment / execution
- Develops and reports metrics
- Coordinates training
- Leads change management and internal / external cross-communication

## Executive Review Board

- Owns vision, direction, integration, business results
- Leads change by ensuring CI Execution (PM Drumbeat)

## Champions

- Provides Senior Executive Support to PM Team
- Owns outcome for ERB

## Process Owner

- Implements solutions
- Owns financial results
- Part time as part of job
- Develops Project Charter

## 1st Line Leaders

- Just Do Its (Identify and Eliminate Process Waste)
  - Increase Team Engagement
- Provide data and voice of customer inputs to VSA,RIE and Projects.
- Apply concepts to their own teams and work areas.

## Master Black Belts

- Train Black Belts/Green Belts
- Coach Black Belts/Green Belts
- Lead Complex/Large projects
- Full-time position

## Project Team Members

- Provide project-specific support
- Part time on projects

## Green Belts

- Participate on Black Belt teams and/or lead projects
- Part time on projects

## Black Belts

- Execute CPI projects
- Train and coach Project Teams
- Full-time assignment



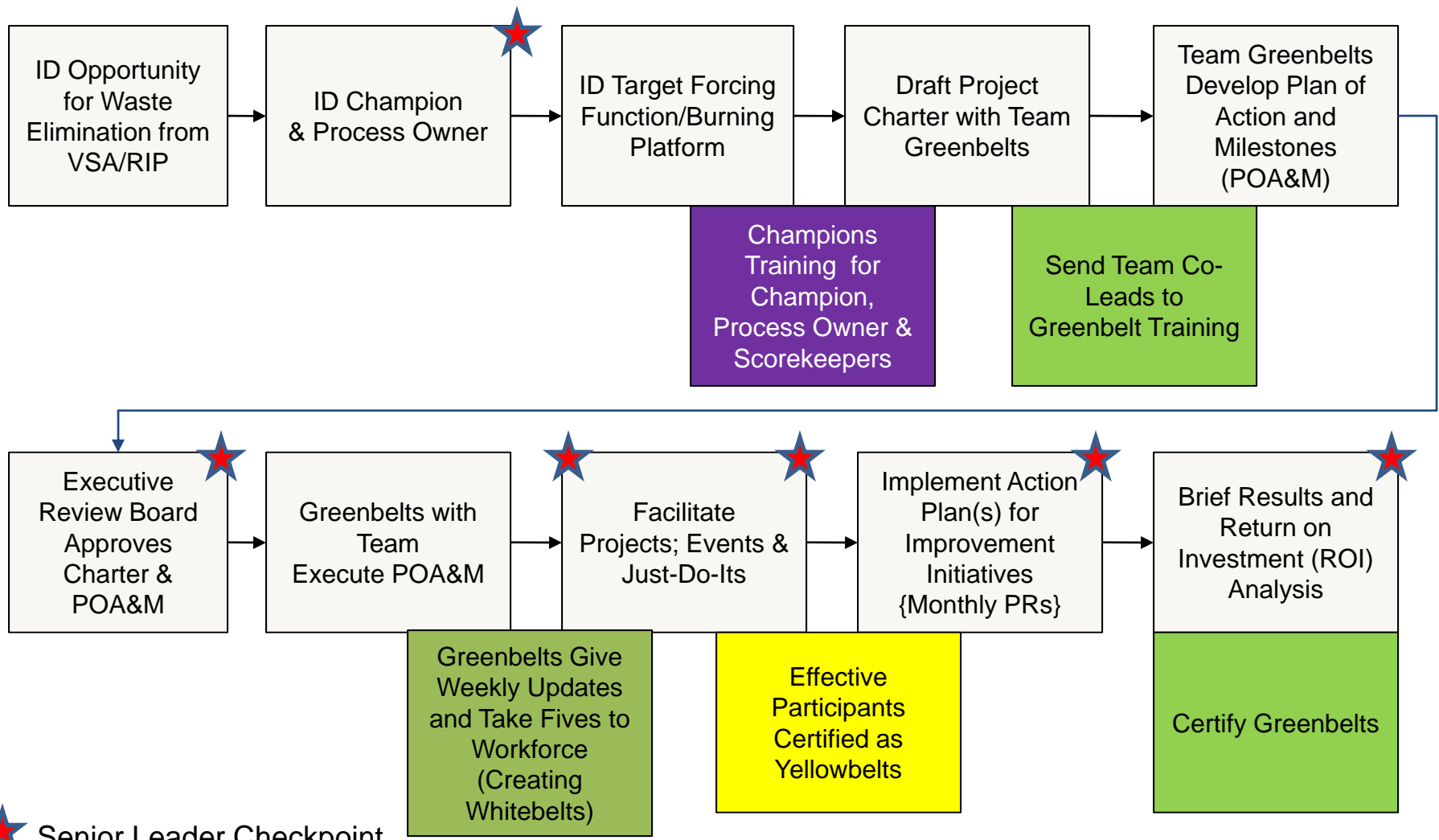
# Continuous Improvement Plan



May 2010




<u>Project</u>	<u>Q2 2010</u>	<u>Q3 2010</u>	<u>Q4 2010</u>	<u>Q1 2011</u>
Production Control VSA	Implement/Sustain			
Warehouse VSA	Implement, Report ROI			
Palletizer Area RIE (from Warehouse VSA)		Plan, Facilitate, Coach Implementation <i>Jul 14-16</i>		
Label Change RIE		Plan, Facilitate, Coach Implementation <i>Late Aug Event</i>		
Warehouse Utilization RIE & 5S (from Warehouse VSA)		Plan, Facilitate, Coach Implementation <i>Aug 2 – Map   Aug 9 – 5S</i>		
Truck Driver Flow (from Warehouse VSA)			Plan, Facilitate, Coach <i>Sep 20</i>	
White Belt: Classroom Training		Implementation		
Greenbelt Training	Hooked to projects and class schedule			

# Event Continuous Improvement Program Management Process & Training Strategy



 Senior Leader Checkpoint

# CI Training Delivery and Objectives

Title	Training Duration/ Delivery Method	Certification	General Learning Objectives & Expectations	End State Pop.	By Jan 2011
Champion	1-2 Days	NA	Champions Events and CI Personnel – Sustains Improvement	12	8
White Belt 	2hr/Inst Led Module	NA	Can Identify Waste, Knowledge of Tools to Eliminate Waste	200	200
Yellow Belt 	1 Event (with Targeted Lessons)	1 Event	Observes Waste Identification and Elimination, Understands Lean Events, Tools, & Green Belt Responsibilities	200	110+ 20 (est.) =130
Green Belt 	5 Days	1 Event Observed + 2 Events Co-Facilitated	Applies Tools, Develops Charters, Co-Facilitates Events (w/ Black Belt), Understands Black Belt Responsibilities	25	10
Black Belt	25 Days (Over 6 Months)	2yrs of Exp as Green Belt (Min: 12 Events)	Execution/Facilitation of EVSAs & Strategic Sessions, Guides Events, Green Belts & Champions, and Strategic Plans	1	0

# Event Charter

Charter Summary For: Title

Improvement Opportunity / Problem Statement:

- Sets direction for the team
- One or two sentences that describe the team’s task

Objectives:

- Major goals of event
- Expected benefits
- What the sponsor(s) want to see

Scope Information:

- Baseline metrics
- Process begin & end
- Dates to complete tasks

Governing Documents & Constraints:

- Governing procedures, regulations, current SOPs

Dates:

Champion:  
Process Owner:

Scorekeeper:

Black Belt:  
Team Leader/Green Belt:

Team Members:

- Name, home department
- 4-12 active participants
- Customer voice
- Outside eyes willing to ask “Why?”
- Members with support knowledge, skills

# COURAGE TO LEAD!!!

- Create, measure, and focus on Team Stability to build Teams with Character: Ready to Change assessments
- Align entire Chain of Command using CI Standardized Work– a Program Management “Drumbeat” embedded in the “normal” business operational tempo.
- If you don’t put your best people to execute your lean program you do not care about it.
- Make the CI program Visual so it can be managed and led based upon near perfect situational awareness.
- Teach every person on the Team:
  - How we make money: Business 101
  - The Team Playbook (Who does What to Who) to build team work
  - Lean 101 to create a common language
- The result of every Lean Event is a TRAINING requirement to create new behaviors and eliminate the old behavior.
- All Leaders are Teachers ensuring change is fully implemented– full deployment is when “we can’t remember how we used to do it”
- Know the last “Why” of the root cause analysis model is **always**: Leadership Failure
- Keep Score to enforce near perfect situational awareness: Must have an independent scorekeeper
- Continuous Improvement is how we Win!

## Cultural Assessment

“My Leaders are working harder than ever but we don’t seem to be making much progress”

“We are too busy doing our real work to do Lean”

Killing Alligators or Draining the Swamp

If you like...

# The Organization Takes on the Personality of its Leader!

Culture

Let's Talk...



# In Appreciation of the Brave Men and Women Who Serve Our Nation



Thanks... and Good Luck!