

Lean System Primer, Part 1: Overview Notes

Lean management is a way of doing business that improves quality, speed, productivity and safety

Lean management is not just for manufacturers and it is not the same thing as Lean Six Sigma

Two pillars of a Lean management system are WASTE and EMPOWERMENT

WASTE

Work is improved by eliminating waste

Seven Types of Waste

Defects

Errors, mistakes, or problems with a product or service

Waiting

People waiting for something to happen

Excessive Walking

Walking or other human movements that are not needed to serve the customer

Excessive Processing

Performing more work than is needed to serve the customer

Excessive Production

Making or ordering more material goods than are needed to serve the customer

Excessive Inventory

Storing or holding more material goods than are needed to serve the customer

Excessive Transportation

Shipping or moving material goods farther than is needed to serve the customer

Waste is a genius idea because:

- 1) Reducing waste is a highly effective way of improving work performance
- 2) Observing waste is a unique way of alerting to the symptom of a work problem that needs to be fixed
- 3) The concept of waste applies to virtually any type of work
- 4) Waste reduction techniques are simple and understandable by any employee

EMPOWERMENT

Empowerment is relying more heavily on the ideas and initiatives of all employees

Empowerment involves training, informing and supporting works to prepare them to take on more responsibility and to give them the opportunity to succeed

Empowerment leads to engaged employees who are energized, committed, and who take ownership in what they do

At a personal level, empowerment is a show of respect which further contributes to a feeling of engagement

A byproduct of empowerment is transparency because empowered employees need access to information

At a personal level, transparency is a show of trust which allows employees to focus on their work

Empowerment can be difficult to apply in practice. Lean management provides techniques and practices which allow for balancing empowerment and control

WRAP-UP

Lean management depends on the ***combination*** of waste elimination and empowerment – these two ideas reinforce each other

Waste is the core of the Lean work improvement cycle, which is covered in Part 2 of the audio

Empowerment is the core of the Lean culture-building cycle, covered in Part 3 of the audio