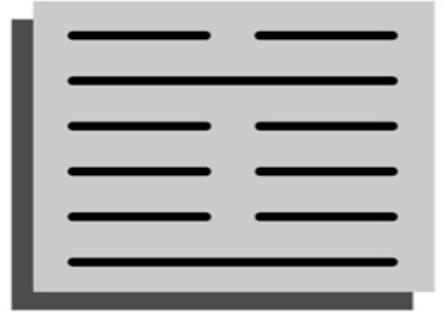


Change Management Associates



March 2012

Featured Topic



Help Wanted!

Using Visual Management to Encourage Employee Engagement, Facilitative Leadership and Drive CI

Dear Drew,

The use of visual techniques is a common theme throughout all Lean concepts. Whether it be Pull Systems making use of visual signals or 'kanbans' in their execution, making standard work visible to associates performing the activities that it describes, or posting 'one point lessons' to convey important information about a specific topic - simple and visual is always the preferred approach. Yet most organizations are just scratching the surface of the possibilities in this important subject.

To many organizations the subject of 'visual management' means posting several performance measures for everyone to see. Yes it is important to make people aware of current performance. However, a comprehensive visual management system (VMS) consists of so much more. A VMS should be actively used to 'manage' - to control the activities performed in an area, to be used to make decisions and trigger actions, and most importantly to drive continuous improvement by engaging associates. It cannot be 'wallpaper' that is posted in an area with the hope that somebody will stop, read and get some benefit out of a 'passive' system.

First, a visual management system should convey a direction for the organization, and a department or area. This is accomplished by including an organization's "true north" and strategic plan, usually in the form of an A3, as part of the VMS. Instead of reviewing the plan quarterly in meetings, by posting it, it can be referred to more frequently. For example, let's say an idea was identified by an associate that represented a major undertaking for

Upcoming Events



idCMA and our network affiliates have the following events scheduled:

AME Events:

Visual Management

Logan Township, NJ

April 12, 2012

Hosted by Engineered Arresting Systems, the morning tour will highlight how the host is using visual management systems to drive continuous improvement not just in operations, but for the overall business. Participate in an actual 'boardwalk'. The afternoon workshop will dive more deeply into the subject. For more information [click here](#)

Training Within Industries (TWI)

Homer, NY

April 25, 2012

Hosted by Albany International, the tour will highlight various lean concepts in practice including 5S, Pull, and TWI - a foundation concept of Lean. A introductory session on Job Instruction (JI) will be provided by a world leading authority on the subject. [Click here](#) for more information.

the organization. Such an idea should be reviewed with associates in the area in the context of the organization's strategic initiatives that were identified for the current year. Does it support them? If so the idea should be adopted. If not perhaps the plan should be revised, or the idea goes into a 'parking lot' for future consideration. Such a review represents an important teaching opportunity that can help associates identify ideas more aligned with the objectives of the organization.

Next the VMS should make the activities performed in an area more visible. These include activities that are regularly and periodically performed in a production, office or service environment. Often these are identified by use of a single page document called a 'SIPOC' - Supplier-Inputs-Processes-Outputs-Customers - that not only identifies the activities performed, but helps people develop a 'systems' view which is important in Lean Thinking. Posting the SIPOC allows for periodic reference as teaching opportunities arise. Many times a value stream map is also included for this purpose.

The VMS should provide an indication of whether the activities are being performed as required. Assignments to tasks can be visibly made, as well as evidence that they have been completed. And if not, this represents a 'non-standard condition' and possibly an opportunity for improvement. Often this takes some form of a schedule and/or a task list with 'green-red' indicators that activities were or were not completed as required.

Of course measures of performance or 'KPIs' should be included in the VMS, along with indicators that expectations are being met. Keep it simple here, just a few key metrics are usually needed. 'Green-red' indicators are used to communicate status. Again, 'red' conditions indicate possible opportunities for improvement.

As previously stated the VMS should lead to continuous improvement. Besides the 'red' indicators, other means of identifying opportunities for improvement exist such as ideas from associates. Therefore the VMS should include a section where ideas can be posted, reviewed and assessed. This often takes the form of 'Impact vs. Effort' or 'Opportunity Radar' charts. If the idea is adopted, it moves to a CI task list to insure follow through, complete with person responsible and expected completion dates.

Herein lies the most important element of any visual management system - the review, response and escalation process. There will be various improvement opportunities that can be addressed by the associates and their immediate supervisor or manager. However, there will be others that require the support of the next level or levels of leadership. It is critical to the success of any VMS that management at all levels be actively and constructively involved. First, they must review the boards on a regular basis, as part of their 'leader standard work'. Next, they must respond to the information being conveyed in the proper way. To respond

Stop! The Power of an Effective Andon System

Boothwyn, PA
May 10, 2012

Hosted by Nielsen Kellerman, the tour will highlight numerous lean concepts in practice including: Pull Systems, Cells, even Lean Accounting and Lean Product Development. A focus of this event will be how NK uses an Andon system to engage its associates in problem identification and process improvement. [Click here](#) for more information.

Lean Overview with Simulation

Timonium, MD
April 13, 2012

Hosted by the MD World Class Consortium, this workshop provides an overview of Lean and the basic lean "toolbox". A simulation will be performed to reinforce the concepts. For more information [click here](#).

Mid-Atlantic Lean Conference

Timonium, MD
November 5 - 9, 2012

Hosted by the MD World Class Consortium, the weeklong conference will include presentations from manufacturing, government, and education. Workshops on various topics will also be available. For more information [click here](#).

Be sure to check out our publications!

"Lean Office & Services Simplified" (2012 Shingo Prize recipient)

This will become the definitive how-to book on the subject.

"The Complete Lean

inappropriately will result in the failure of the VMS, and employee engagement all together. Management must not view the 'red indicators' as triggers for blame. To do so will prompt everyone to quickly abandon the VMS. Management should coach the people in that area through an improvement cycle, helping them determine root cause and appropriate countermeasures, all the while teaching solid problem solving techniques.

Further management must respond to the ideas for improvement. For those of greater scope and scale, perhaps a multi-day kaizen event with a cross-functional team is necessary. Then the appropriate leader must take responsibility for championing the idea, and seeing that the kaizen event is properly planned and executed. Ideas that should be implemented 'locally' may need leaders attention and support as well, if they are not addressed in a reasonable period of time. Again, this should not be a cause for affixing blame, but for leaders to help identify and overcome the obstacles that the area is facing. For example overtime might need to be authorized to provide time to implement the idea.

The information provided by the visual management system should be viewed as a 'help wanted' call, whether it be 'red indicators' of performance or past due tasks. That information should trigger a response of supportive or facilitative leadership. Together leaders and associates can learn about problems and their causes, and determine countermeasures to them. In other words to practice continuous improvement - the real goal of a Lean Enterprise. For this reason consider posting the organization's standard problem solving process, as well as the desired behaviors as part of every VMS.

I ask you to reflect on the visual management systems in place in your organization. Are they simply posted performance measures or more comprehensive systems as previously described. Also reflect on the typical 'response mode' in your organization to whatever level of VMS you have in place. Is it punitive or blame oriented, or is it truly facilitative and supportive?

Best Regards

Drew Locher

Managing Director, Change Management Associates

"Lean Office & Service Simplified" is a 2012 Shingo Prize Recipient!

"Lean Office & Service Simplified: The Definitive How-to Guide" has received a 2012 Shingo Prize for Research. The book published in February 2011 provides detailed step-by-step methodologies to apply all of the key lean concepts to office and service

**Enterprise" (2005 Shingo Prize recipient)
VSM for Administrative & Office Processes**

"Value Stream Mapping for Lean Development"
(Reviewed in the 2nd Issue 2010 of AME's Target magazine)

Books are available at www.productivitypress.com

**Go to www.cma4results.com
Click on "News" to find articles and past newsletters. Recent newsletters are:**

"Debunking a Myth about Lean Office"

"What's Your Problem? The Basics of Problem Solving"

"Can We Talk?" Encouraging Meaningful Conversations in Business.

"Because I Said So" Managing by Objective (MBO) versus Striving for Target Condition

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environments.

Entire chapters are provided on the subjects of Standard Work, Visual Management Systems, Value Stream Management, Flow, and Level Pull - all in the context of office and service. The book finishes with a chapter on leadership - the key to sustainment and the transformation to a culture of continuous improvement.

Drawing on over 25 years of practical experience, each concept is broken into its fundamental elements to help the reader better understand its true intent thereby building confidence to experiment. The book is available from [Productivity Press](#).

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