Enterprise Transition to Lean Roadmap

Professor Deborah Nightingale

September 28, 2005

Lean Enterprise Implementation Processes and Tools

Implementation Issue		Enterprise Tool
What are the key lean principles and practices?	→	Lean Enterprise Model (LEM)
How do I transform my enterprise to lean?	→	Enterprise Transition to Lean Roadmap (TTL)
How do I assess my progress?	→	Lean Enterprise Self Assessment Tool (LESAT)

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LEM Overarching Practices

Human-oriented Practices

- Promote lean leadership at all levels
- Relationships based on mutual trust and commitment
- Make decisions at lowest appropriate level
- Optimize capability and utilization of people
- Continuous focus on the customer
- Nurture a learning environment

Process-oriented Practices

- Assure seamless information flow
- Implement integrated product and process development (IPPD)
- Ensure process capability and maturation
- Maintain challenges to existing processes
- Identify and optimize enterprise flow
- Maintain stability in changing environment

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Lean Transformation Issues

- **Why do most lean transformation activities fail?**
- **What are the key success factors in implementing lean enterprise wide?**
- **How can we better assure that lean will impact bottom line results?**
- **Are there certain activities that are ideally performed before others?**
- **What is the role of senior leadership in assuring success?**

Issues Motivated Development of Enterprise Transition to Lean Roadmap

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Key Principles of Change Management Apply to Lean Transformation

- Strategic Alignment
- Management Commitment
- Sense of Urgency
- Stakeholder Involvement
- Organizational Structure
- Goals and Objectives
- Transformation Plan
- Monitoring and Nurturing

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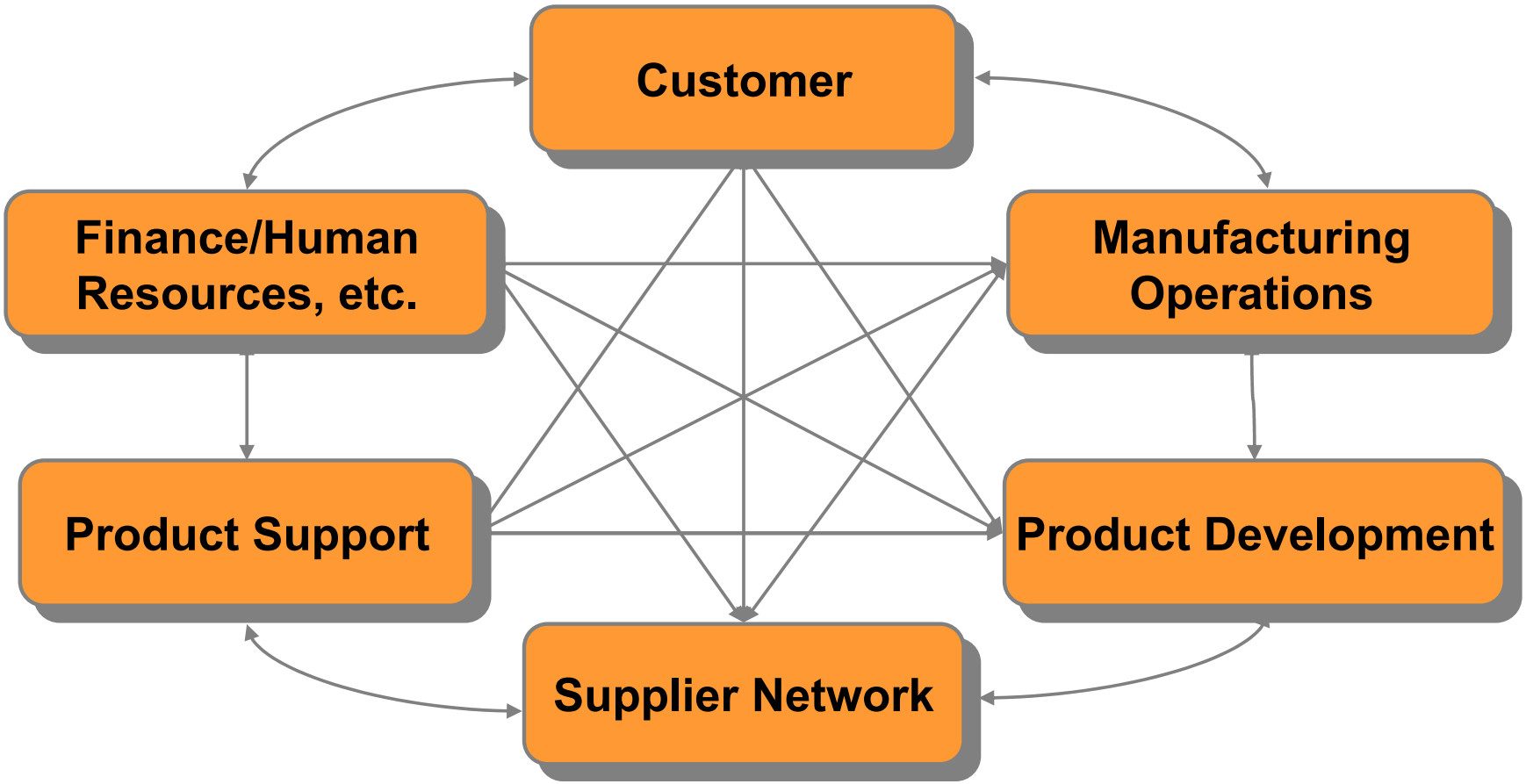
Lean Transformation Requires an Enterprise Approach



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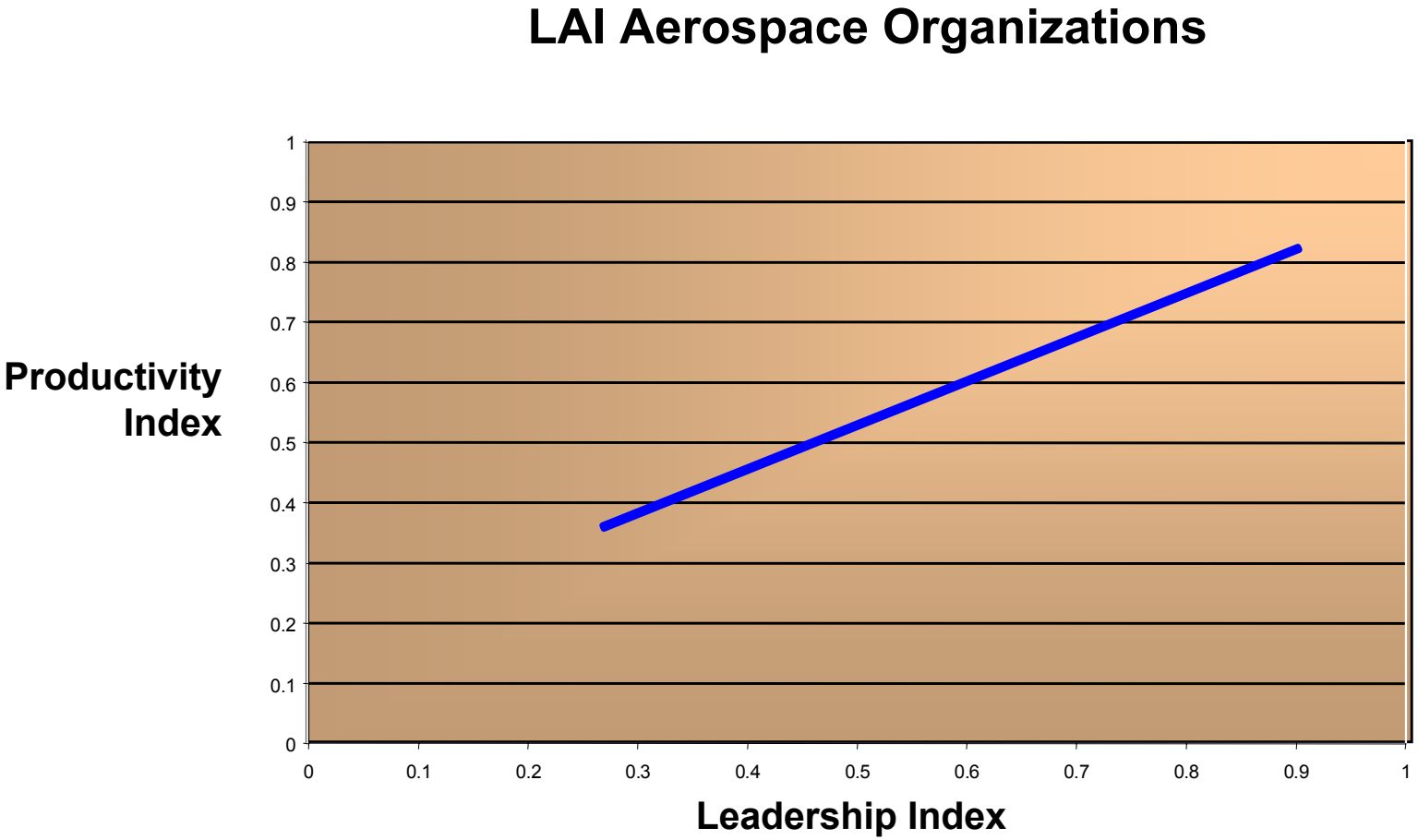
Enterprise Leadership is Key Element of Success



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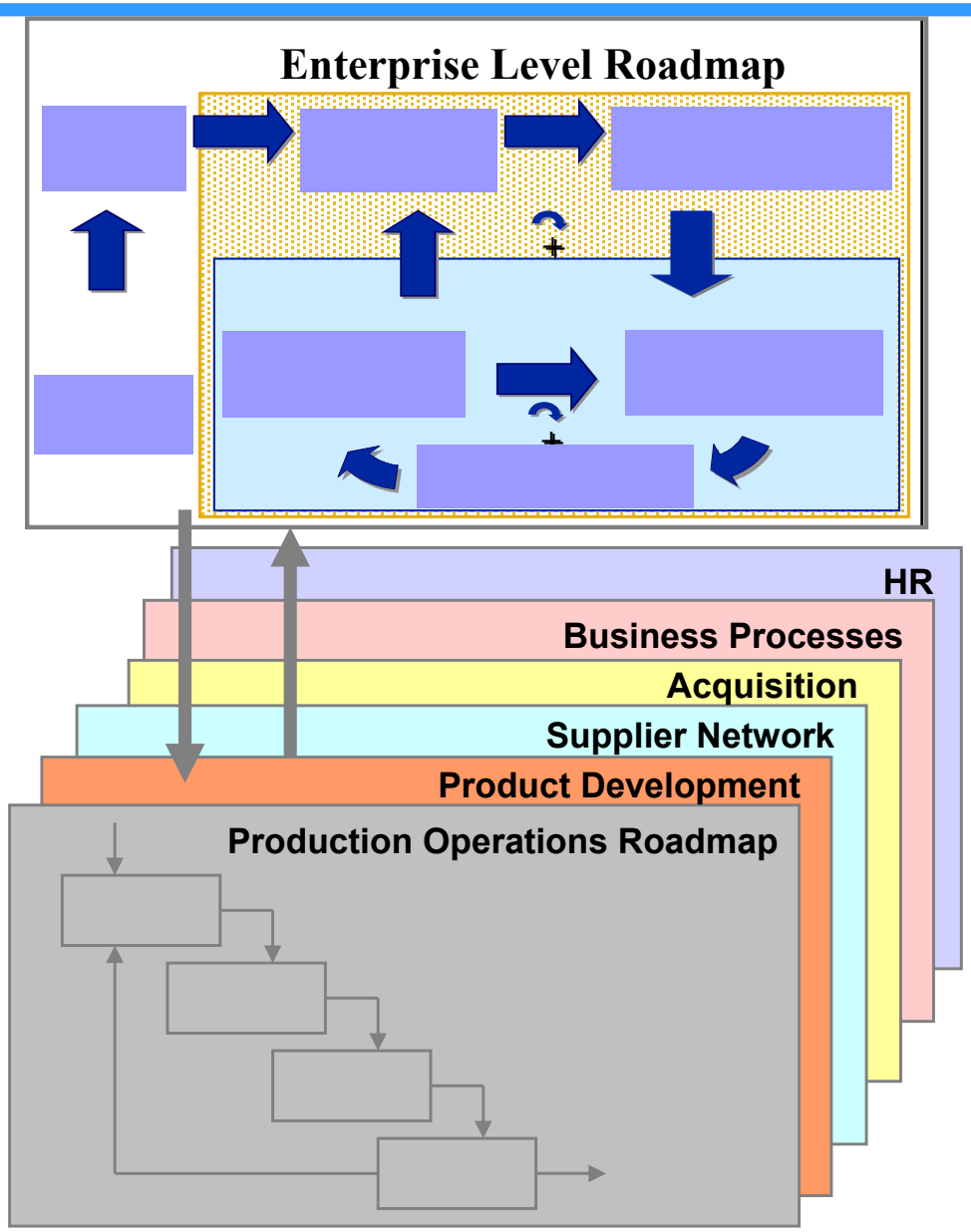
Transition to Lean Module Concept



- Priorities
- Sequence
- Key Enablers
- "How-To's"
- Change Mgmt. Principles

Transition to Lean Plan

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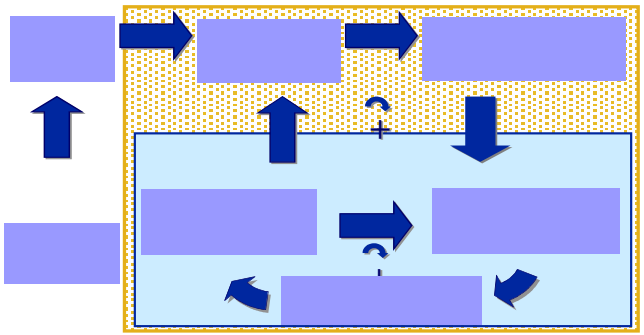
Enterprise Level Roadmap Conceptual Framework

What is the Enterprise Level Transition-To-Lean Model ?

Begins with a description of a Top Level Flow of primary activities referred to as "The Roadmap"

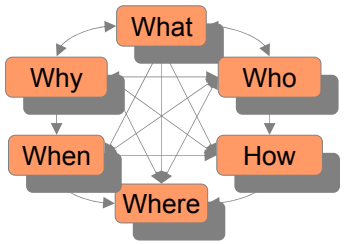


Focus on the Value Stream

- Map Value Stream
- Internalize Vision
- Set Goals & Metrics
- Identify & Involve Key Stakeholders

Then, provides descriptions of key tasks required within each primary activity

Finally, leads discussion of issues, enablers, barriers, case studies & reference material relevant to each task in a common structured framework



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Enterprise Level Roadmap Conceptual Framework

What Does the Enterprise Level TTL Model Provide?

- A robust path that Enterprise Leaders can follow to transition their organizations to a new plateau of "leanness"
- Efficient and effective tool that will improve the quality of thinking and awareness of Enterprise Leaders on the challenge of transitioning their organization
- Framework for cultural, organizational & change management considerations
- Guidance in making the transition process, itself, a 'lean' process

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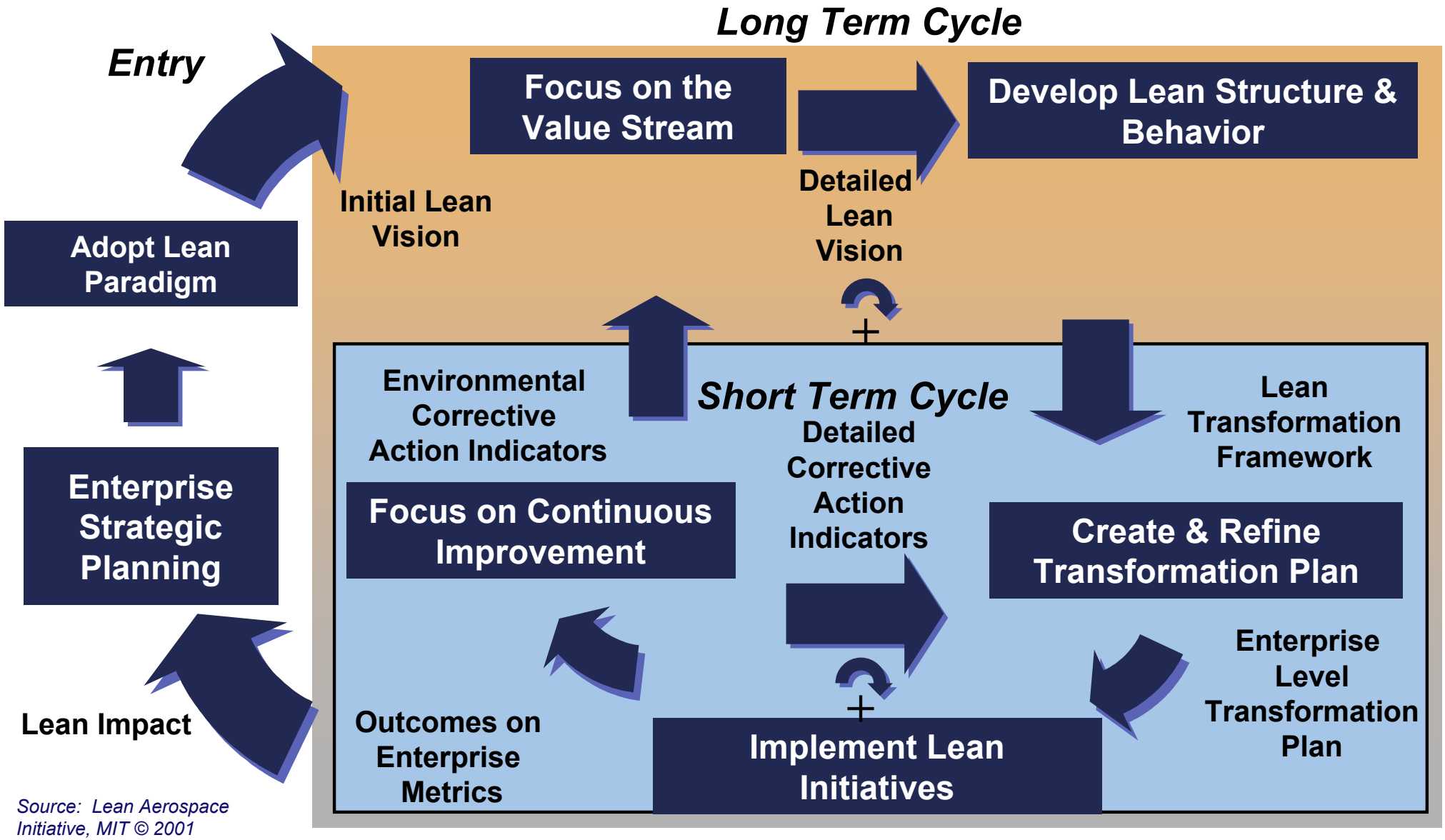
Enterprise Level Roadmap



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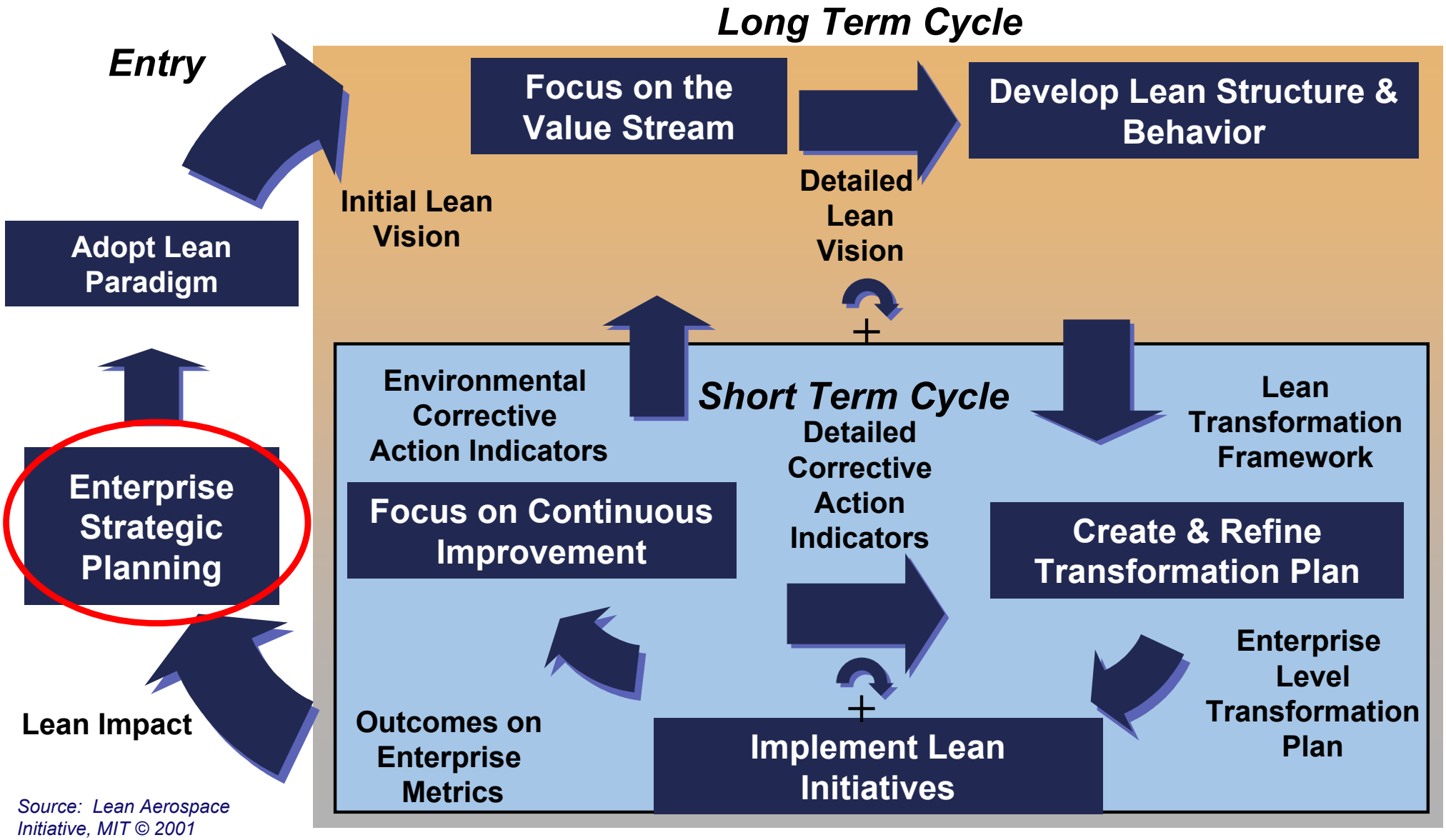
Enterprise Level Roadmap



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Enterprise Strategic Planning

- Create the Business Case for Lean
- Focus on Customer Value
- Include Lean in Strategic Planning
- Leverage the Extended Enterprise

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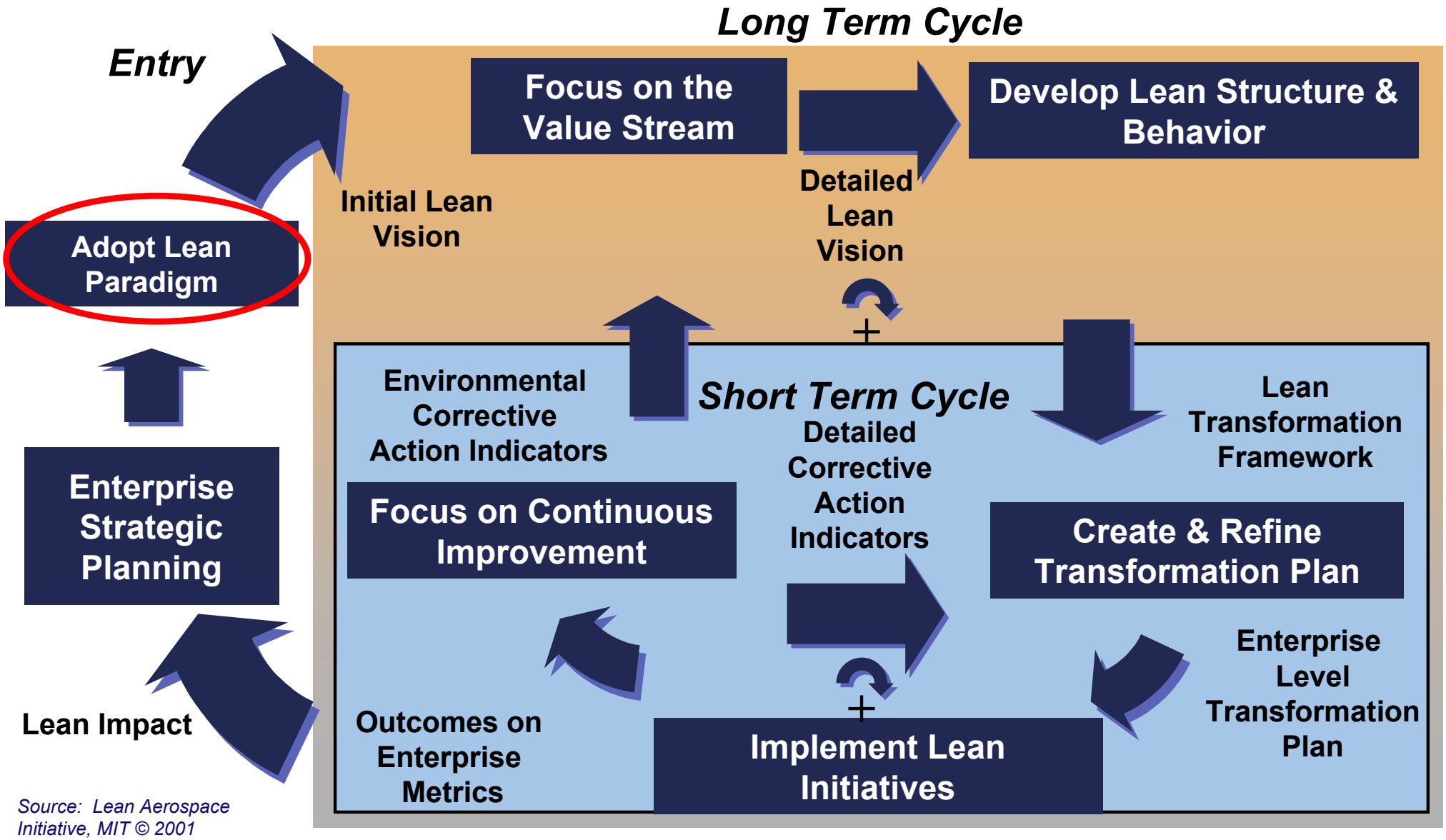
Enterprise Level Roadmap



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Adopt Lean Paradigm

- Build Vision
- Convey Urgency
- Foster Lean Learning
- Make the Commitment
- Obtain Senior Management Buy-in

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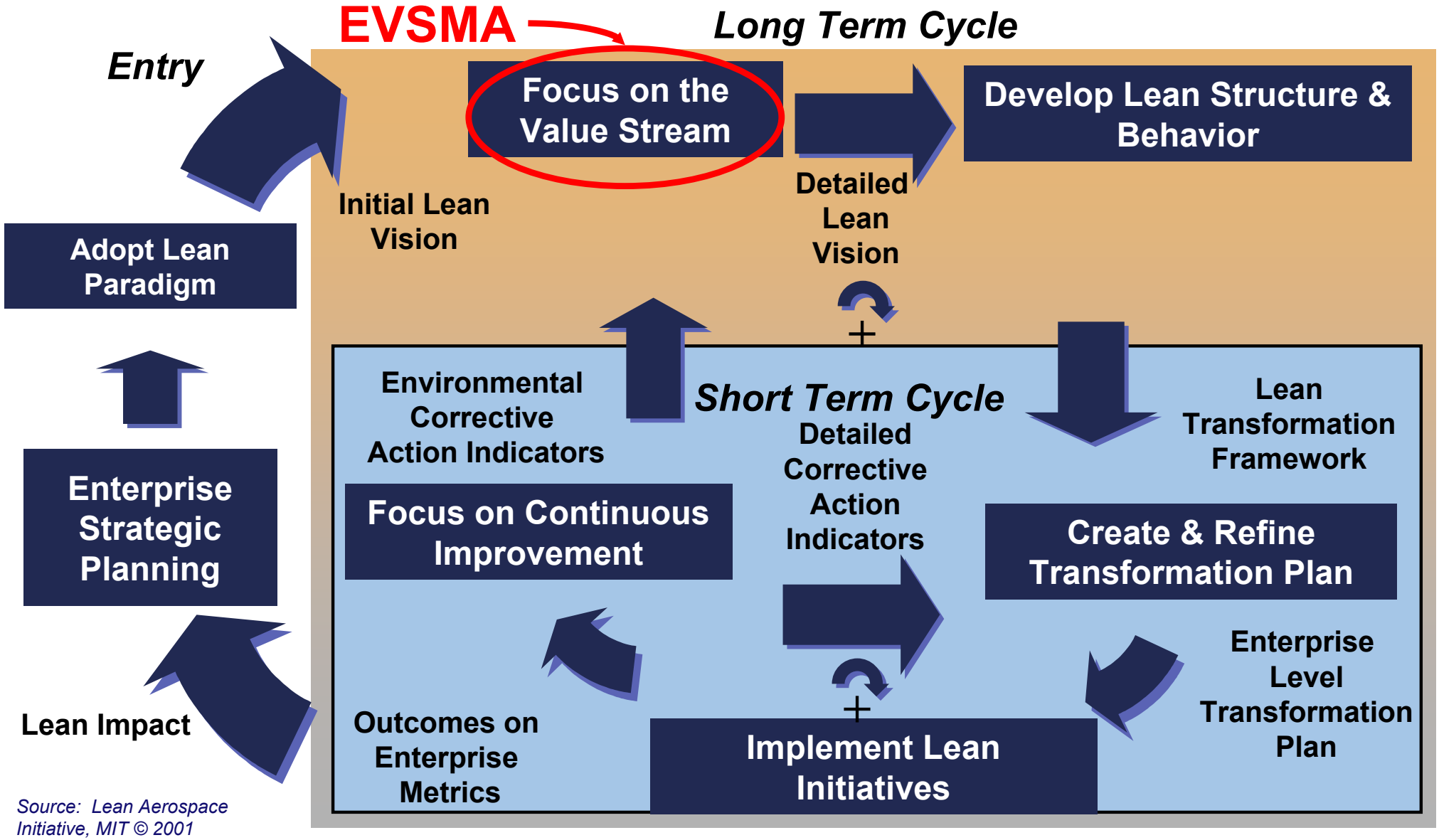
Enterprise Level Roadmap



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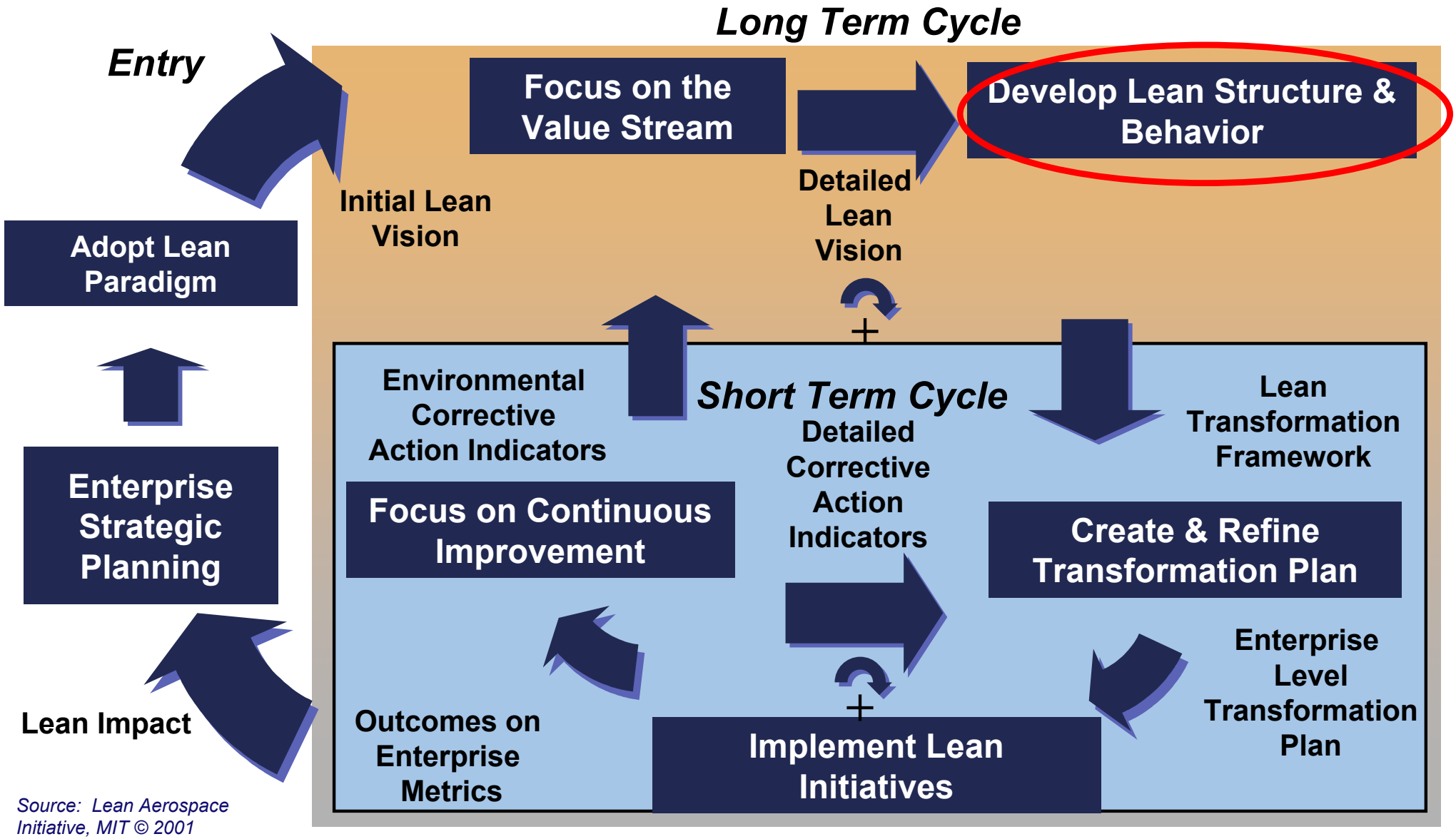

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Develop Lean Structure And Behavior

- Organize for Lean Implementation
- Identify & Empower Change Agents
- Align Incentives
- Adapt Structure & Systems

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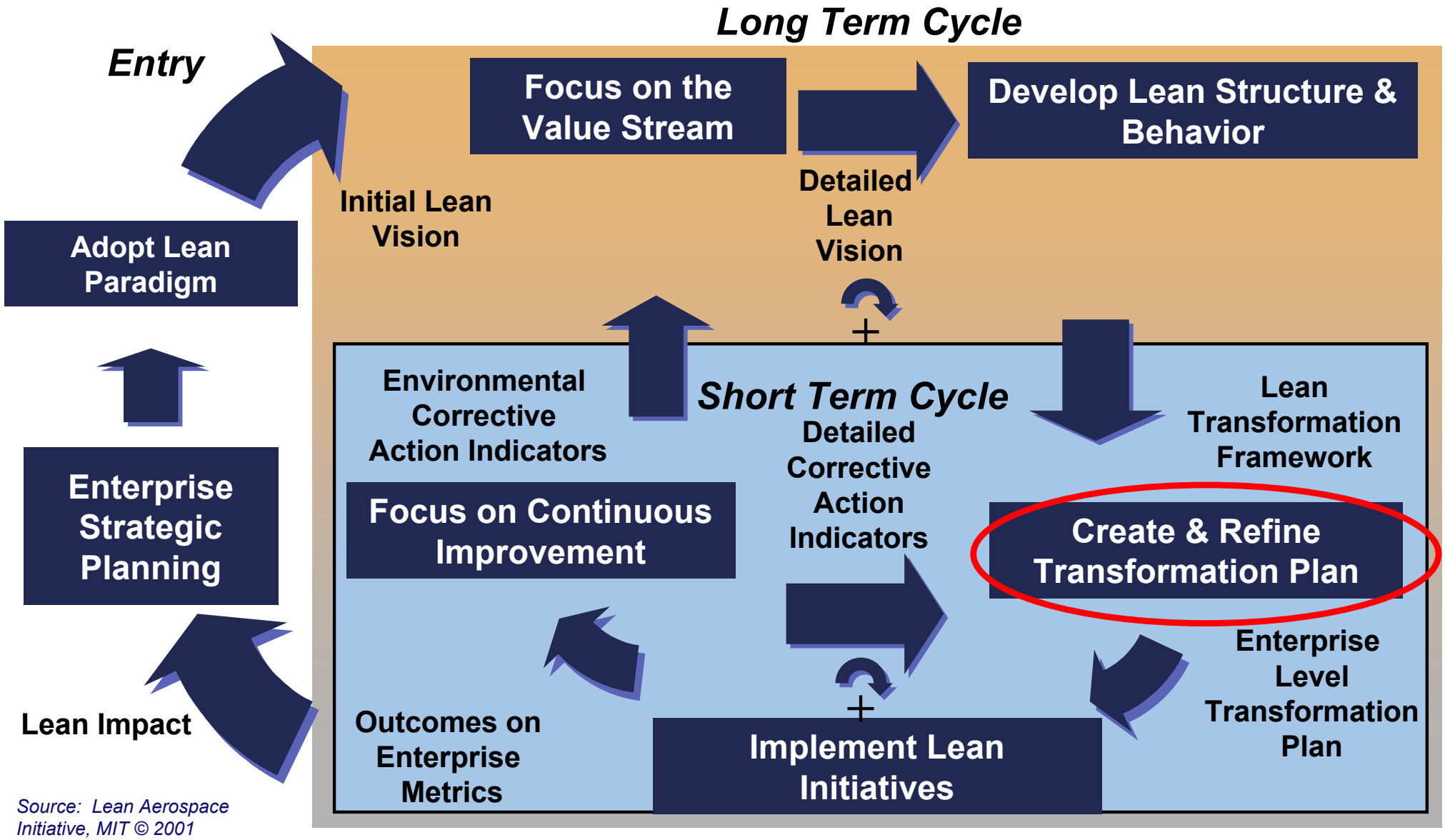
Enterprise Level Roadmap



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Create & Refine Transformation Plan

- Identify & Prioritize Activities
- Commit Resources
- Provide Education & Training

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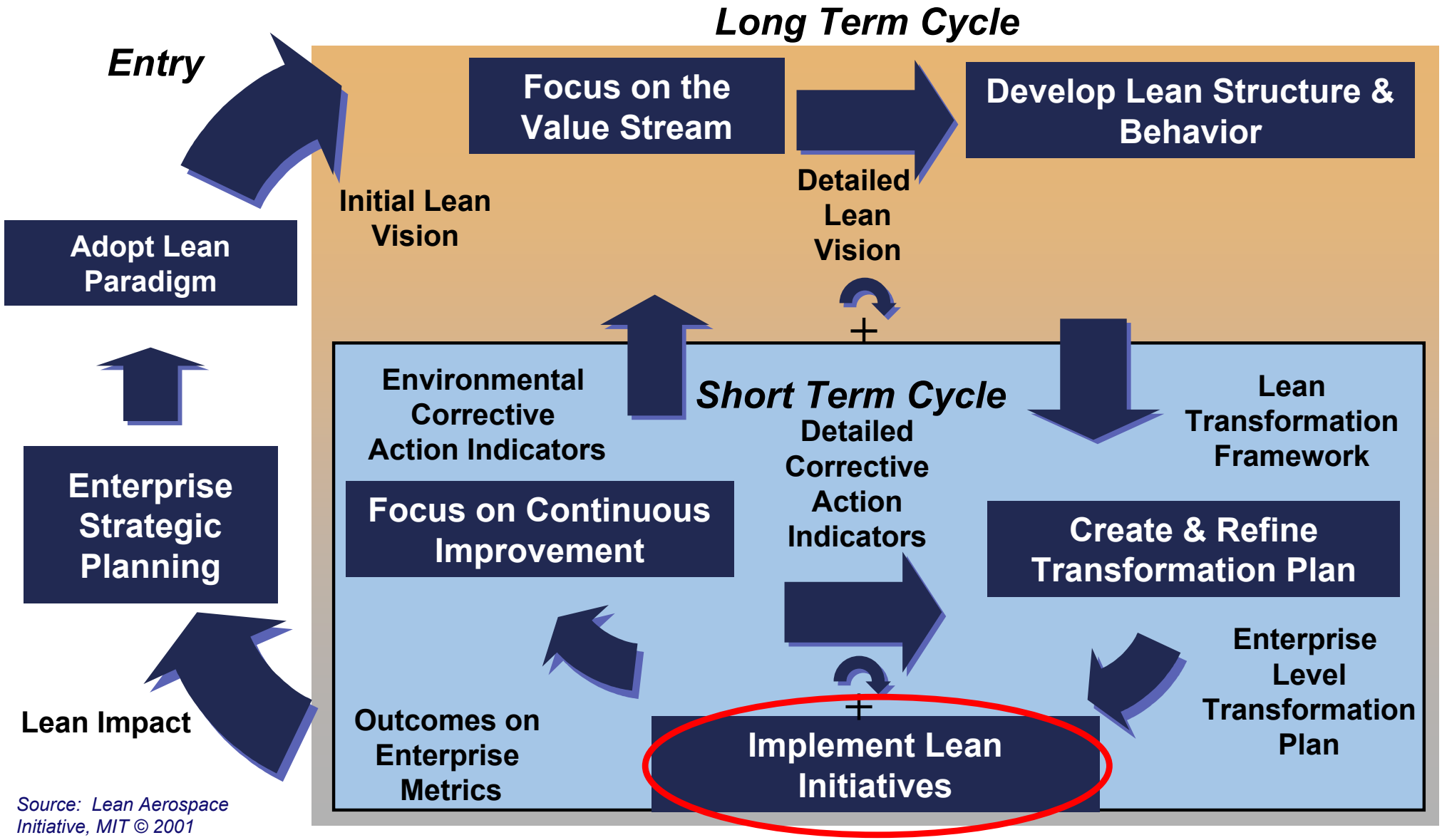
Enterprise Level Roadmap



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Implement Lean Initiatives

- **Develop Detailed Plans**
- **Implement Lean Activities**

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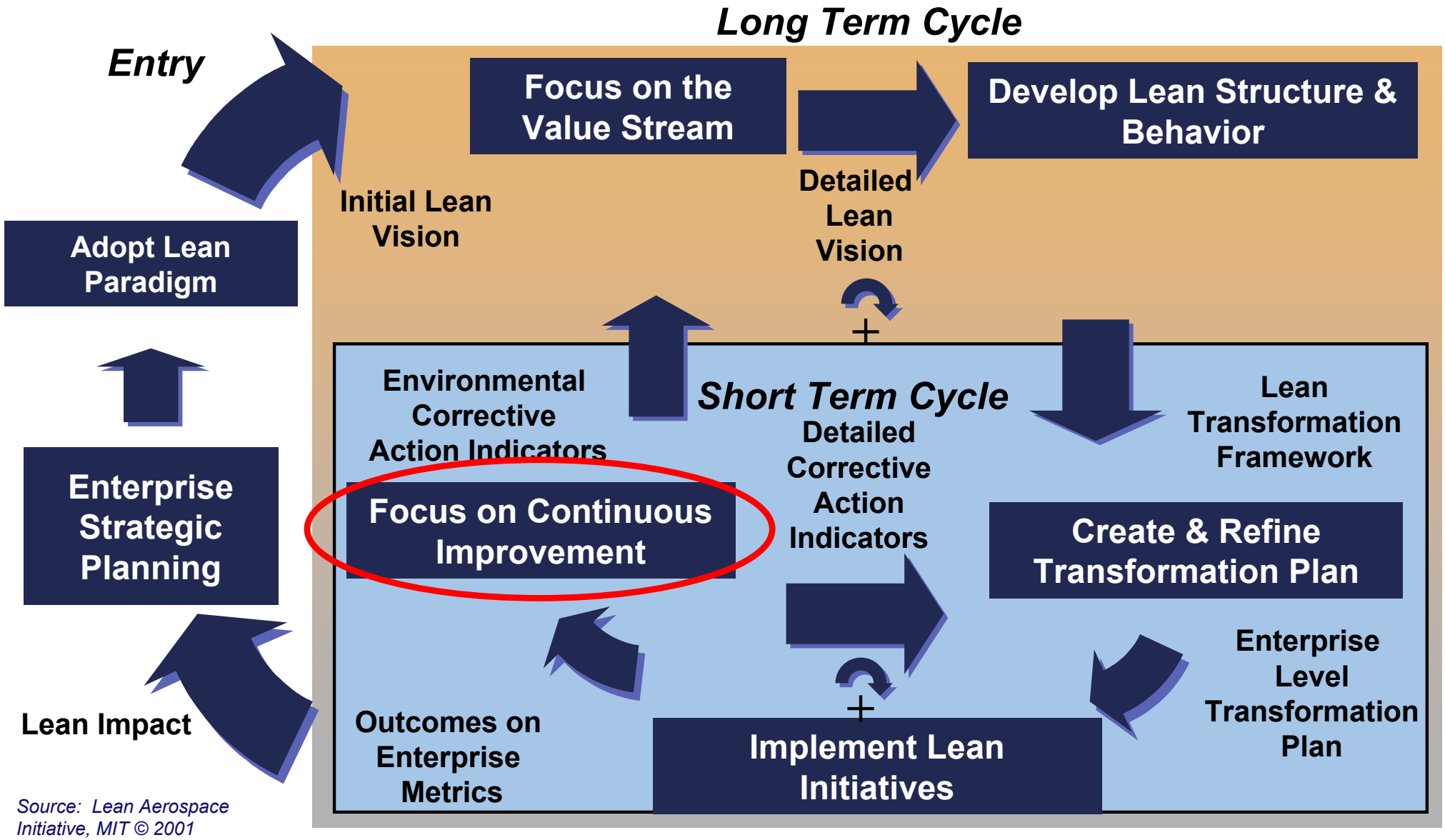
Enterprise Level Roadmap



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Focus On Continuous Improvement

- Monitor Lean Progress
- Nurture the Process
- Refine the Plan
- Capture and Adopt New Knowledge

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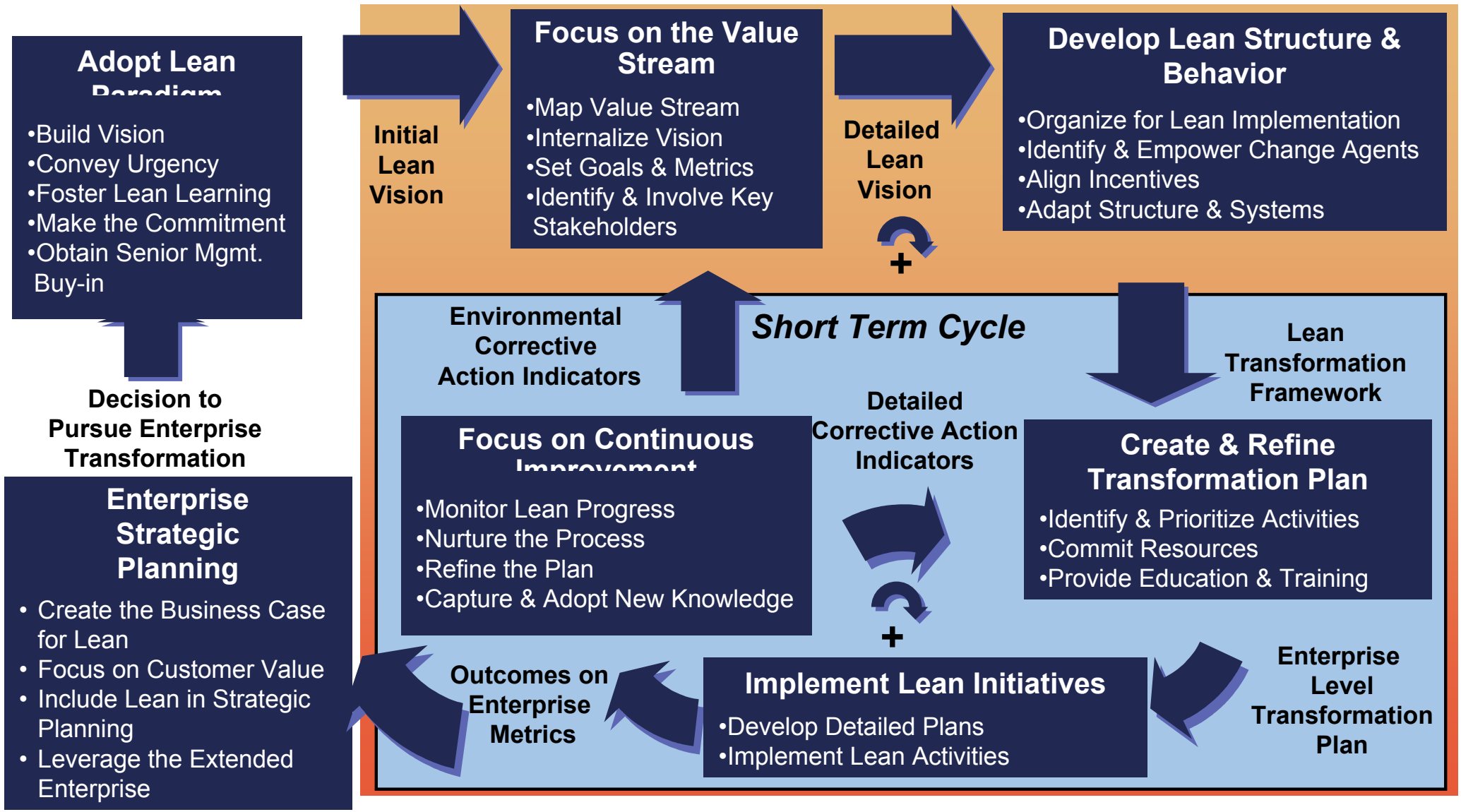
Enterprise Transition to Lean Roadmap



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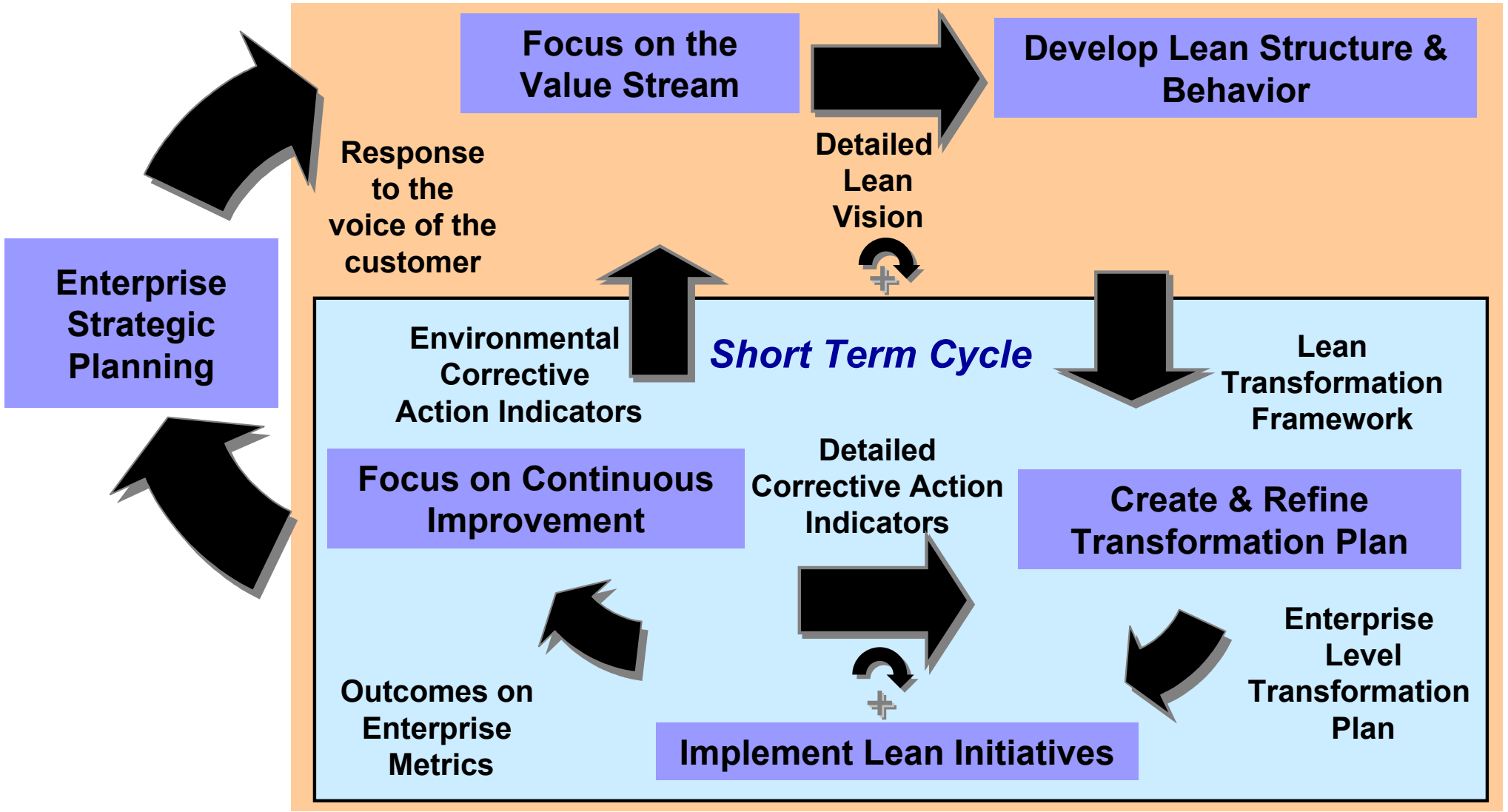
Enterprise Level Roadmap
The On-going Lean Enterprise



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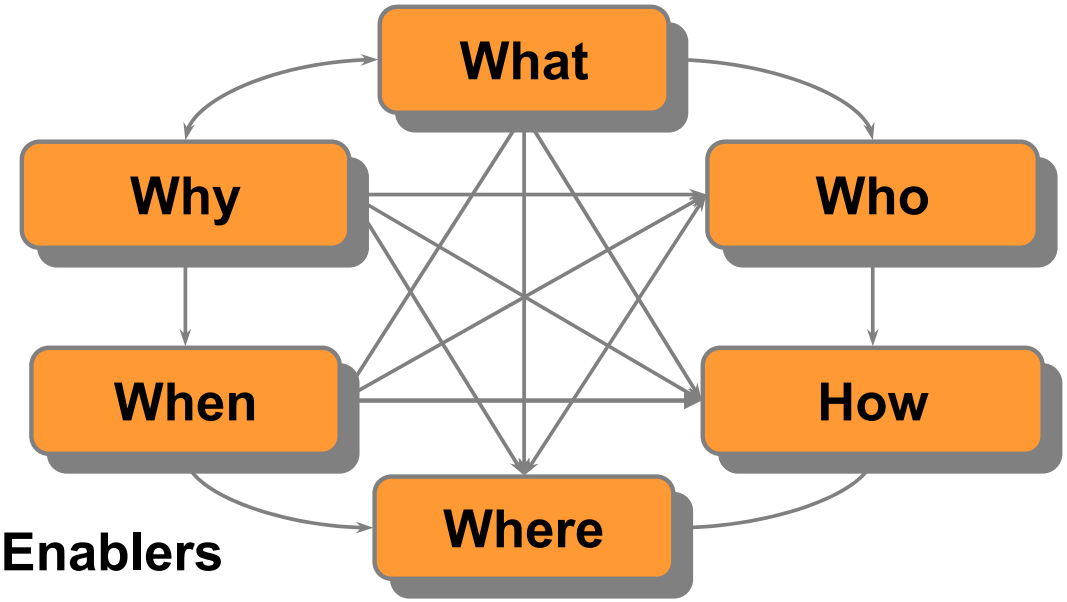
Common Discussion Framework Is Used

- Discussion of issues
- Six Interdependent Elements of Implementation



- Enablers
- Barriers
- Related Case Studies
- Further Reference Material

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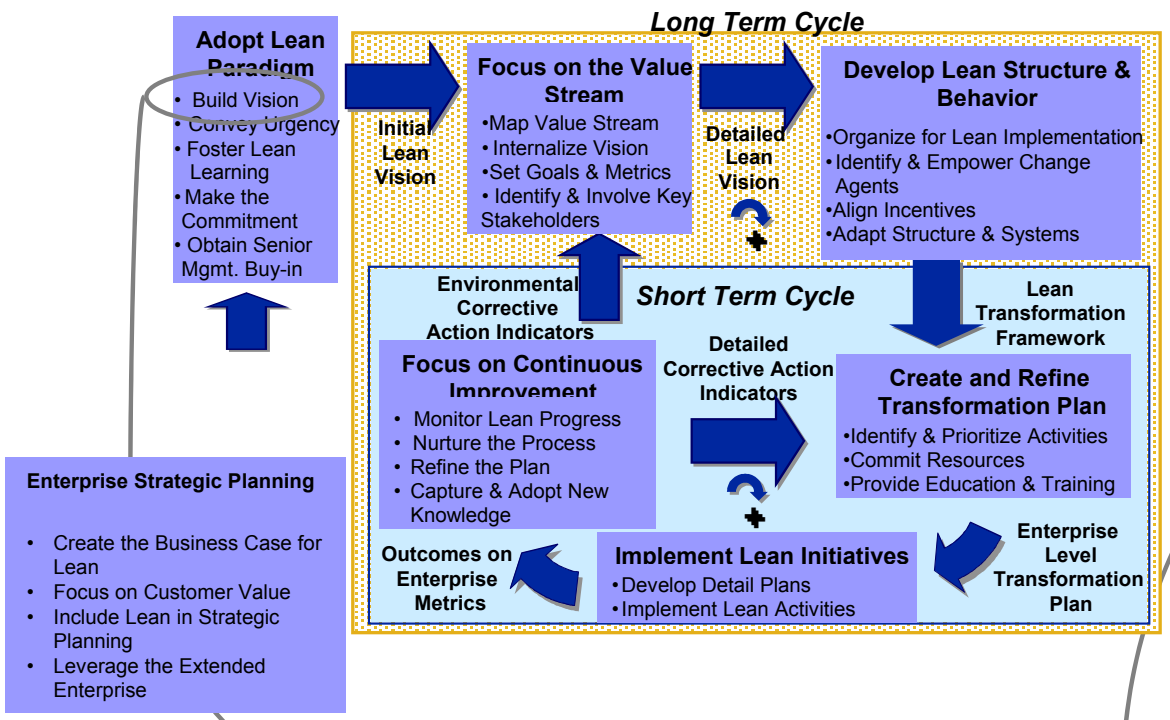
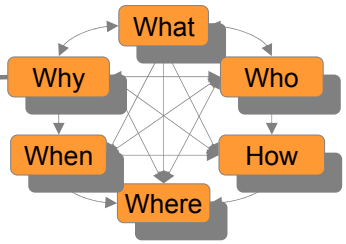
‘Drilling Down’ to an Example of TTL’s Content



The Discussion Outline

- Discussion of issue
- Six Interdependent Elements of Implementation



- Enablers
- Barriers
- Related Case Studies
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Issues surrounding the task of “Build Vision” during the activity of “Adopting the Lean Paradigm”

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Benefits of Enterprise TTL Roadmap

- Facilitates enterprise focus
- Provides “sequence” for enterprise transformation
- Increases understanding of “what went wrong” in previous transformation attempts
- Focuses on people/leadership issues
- Provides an organizing framework for enterprise-wide transition

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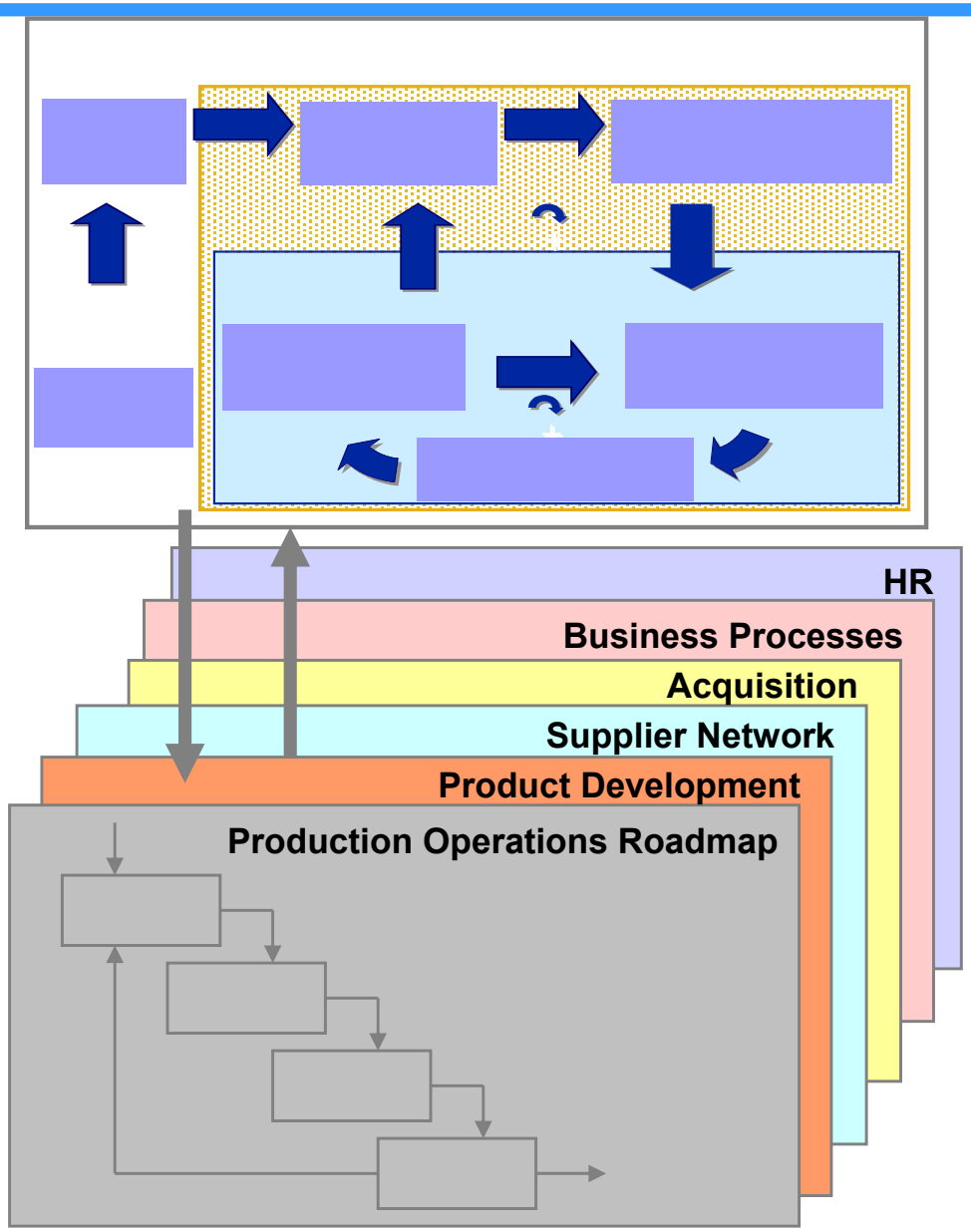
Transition to Lean Module Concept



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Transition to Lean Plan

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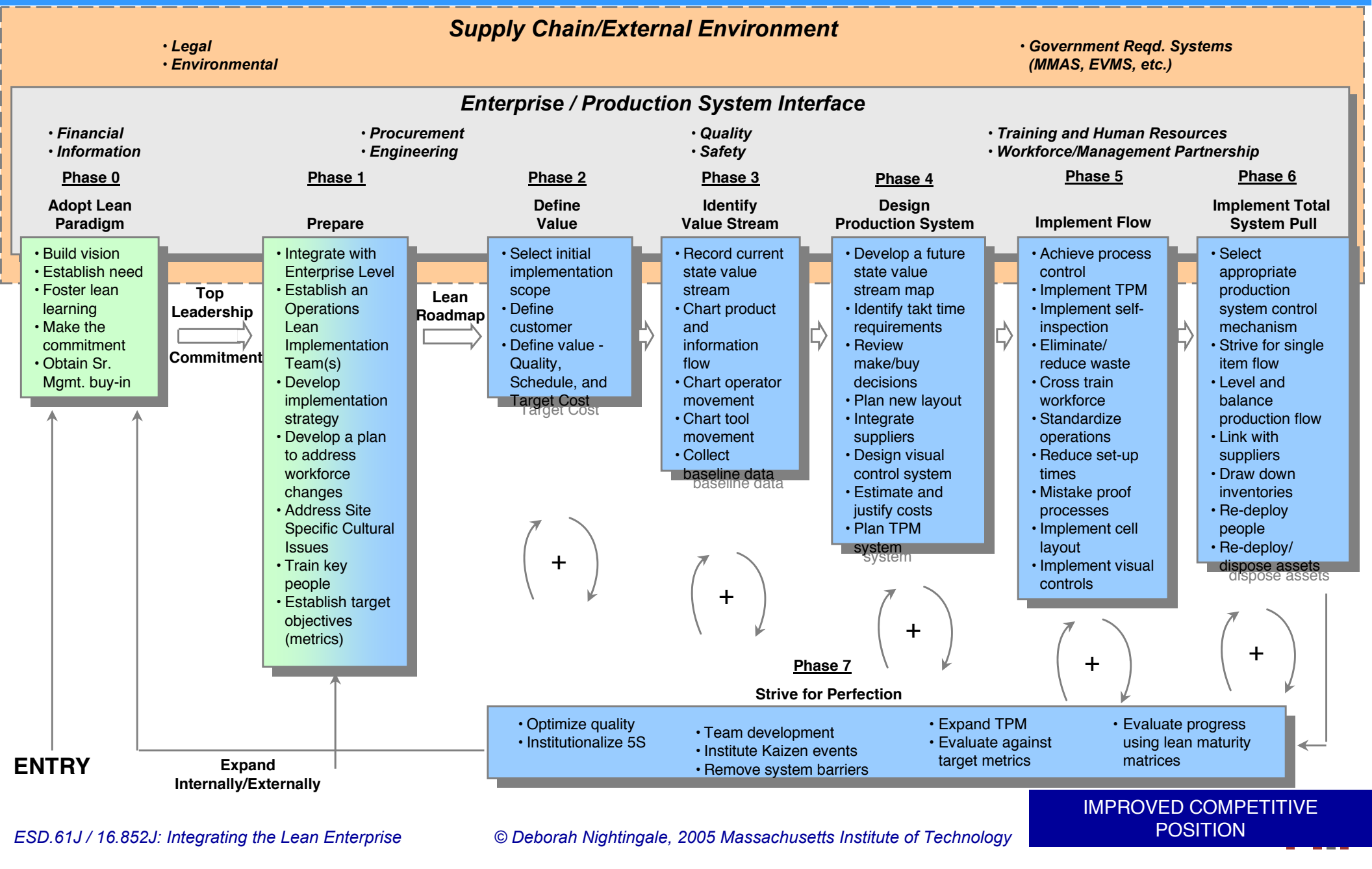
Production Operations Transition-To-Lean Roadmap



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