

YES
INNOVATION

Everyday Improvement
Everyday Leadership

A simple book about the power of
turning everyday ideas into “the way
we do it”

by

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INTRODUCTION

We're pleased to announce a simple and short book that will quickly provide the answer to achieving outstanding business success.

It's all about people. To succeed you need the right people, with the right skills, at the right time, for the required results.

Jim Collins, says many things about Good to Great companies. One that we hear many people repeat is, "Get the right people on the bus."

The Firesign Theatre has many good comedy skits and albums. One of the most popular is "I Think We're All Bozos on This Bus".

Either way, it's your bus.

Enjoy the ride!

FOREWORD

I am delighted to write a foreword for this book.

As an avid and voracious reader I regularly scan the business and management shelves of bookstores. In every bookstore I find hundreds of books about systems, processes and complex management theory. Now for an admission, sometimes I cannot even understand the title of the book. A quick scan read of half a page (at most) is usually enough to ensure my wallet stays in my pocket.

I am disappointed that books about complexity in management, leadership and business outnumber books on simplicity, as my best guess, on a ratio of about 50:1 and I may be under-estimating that ratio. That is just how it 'feels.'

What a delight therefore it is for someone like me to read this short book that tells us something I think too few organizations live by as a principle. Staff at the front line who are doing the added value work know the answers. Organizations and by that I mean leaders and managers simply have to create a climate that allows them, indeed encourages, them to become more involved and makes them feel valued. Those words of course are easy for me to type. So why is it that we still see the art and simplicity of management and leadership turned into some sort of academic and mystical subject creating a mythical belief this stuff is complicated?

The authors are practicing managers who have a wealth of knowledge having worked a long time in what I call the 'muck and bullets.' They have got their hands dirty. They have been at the front line and continue to value every member of staff who

works at the front line adding value to the business. To coin a phrase they 'walk the talk.'

Chuck is in my opinion as qualified as anyone and more qualified than most management authors to tell us how to get things done in business by helping front line staff make their workplace a more exciting and satisfying place to be which in turn benefits the organization – it really is a no brainer! He is 'street wise' in managing people. While I don't know Jim, I understand he also understands value of people.

In this book you will find practical ideas and advice based on Chuck and Jim's extensive experience and knowledge and I love its simplicity.

Some 'sound bites' from me after reading this book are as follows:

- Success is all about people not 'programs.'
- Organizations can and should develop continuous learning.
- Every member of staff has creative ideas that can develop the business.
- Managers need to understand how information, money and ideas 'flow' through organizations and how to capitalize on those 'flows.'
- My favorite part is the wonderful analogy of using puppy training techniques to get the best out of staff – a wonderful concept and a 'must read' section for all managers.

Chuck uses a powerful real life experience about how an unrelated casual discussion with a friend can lead to a major improvement idea at your place of work. A fascinating personal insight from Chuck about if our minds are in a state of 'readiness' we can identify areas in our workplace where major improvements can be identified from

seemingly unconnected discussions or experiences.

I have had the immense pleasure of getting to know Chuck 'virtually' through our mutual interest in challenging the need for complex language and management practices. We are thousands of miles apart separated by the big pond but I think our minds are very close in the matter of simplicity. It is great to know Chuck as a colleague and a friend in the never ending campaign to bring down **The Iron Curtain of Complexity.**

I am sure you will enjoy reading his book and then challenging your bosses about why these ideas cannot be introduced in your workplace – tomorrow or better still today!

Always keep things simple.

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*Simplicity is the Key

*The Nine Fruits of Leadership

*Three Amigos with One Message

*I Wanna Tell you a Story

SIMPLE THINGS WORK

This is a book that will help you respond to your business needs. It's a simple book that can provide you with profound results.

One of the many paradoxes in business is that simple things work, but we think they're too simple. We want complicated solutions, because we think a lot of effort went into them, but we want to implement them simply. If you want a complicated solution, sorry, this book isn't for you.

The simple things are hard enough to do. Let's keep it simple.

The (not so) secret recipe contains only two ingredients – engaging people in the business and standard work.

To respect your time, We'll share our thoughts and encourage you to look at your organization. We'll also challenge some assumptions, offer some ideas, some whys, and a path to follow. For facts, justifications, hows, etc. We encourage you to do further reading and tap into information available through your favorite search engine.

ENGAGING PEOPLE

Ever since Henry Fords' genius gave the world the concept of a highly efficient assembly line in the then infant auto industry, workers on many a manufacturer's assembly line have not been expected to think. In fact the popular sentiment for a long time has been that employees on a production line need to leave their brains at home – at least the creative part that fires up the imagination and dreams up ideas for improvement. This became true in many industries, not just automotive and not just manufacturing.

Of course you do not hold up an entire assembly line as you dream up new ideas for an already tried and tested, highly productive assembly line.

Yet the truth of the matter is that empowering workers to simply participate fully in the creative problem-solving activities of any business can transform a dull work place into a much more interesting environment with much greater possibilities. And what is more, the benefits would overwhelm many. These benefits would include dramatic cost-cutting through the elimination of waste which can come side by side with drastic improvements in the quality of products and services. Not to mention a much more highly motivated work force capable of lifting productivity to new levels.

This is the reason why no advice can be further from the mark than asking employees to simply do what they are told and leave all the thinking to management. There is little doubt that the employees involved in the actual work on a day to day basis are in a much better position to “dream up” ideas for improvement.

LEADERS ARE THE CATALYST

Feedback is critical. Provide fair and balanced feedback. Encourage your people to ask for it. Provide it as often as you can. Humor in the workplace can help create an environment where people can be creative and criticism doesn't feel so harsh.

To develop their people, leaders need to stop solving problems. Their role is to use problems as an opportunity to develop people, ask questions, let them try solutions. When trusted to do so, workers can resolve problems caused by actions under their control. Management can allocate resources and provide the tools, training, and environment necessary to ensure the quality of the ideas implemented.

Leaders must also make sure that all the improvements, when implemented, become documented as part of the standard work.

This is critical.

ORGANIZATIONAL LEARNING

Responding to challenges and ideas, documenting the solutions as part of the standard work provides you with the ability to create just-in-time learning. Another employees (maybe on the next shift, another person doing the same task, possibly a new hire) will have current knowledge. People become used to adapting to changes readily and their skills evolve with the work.

People and companies can learn to adapt and evolve.

Companies with high turnover (or with older workers ready to retire) must have a way to capture important knowledge, retain it, and transfer it to new people. Continually updating improvements on the standardized work instruction allows this to happen naturally, as part of everyone's job.

Training people to the current standard allows effective use of training dollars. We like to say that training is an investment. The reality is that much training is a cost. Studies show that approximately one third of new hires are already looking for their next job and some companies have turnover rates at or above 100 percent each year. Training may be an investment in their future, but not the organizations.

Of course, we need to invest in our people. Training needs to be provided so employees grow and develop.. As they grow, they can generate and implement more ideas to help the business, these ideas turn into the standard work, are captured and taught to others.

The knowledge and skills that people need to succeed are continually evolving. Adding them to the standard work instruction document provides just-as-need instruction, where it's needed.

THAT'S IT

We said this is a simple book and we wouldn't waste your time.

Engaging people in improving the business is the first step, and the most critical. Sam Walton said, "If you want to know what's wrong with the business, ask the front line." That's right, they know. They also have some pretty good ideas on how to make things better. Ask them.

Capturing their results, turning into the standard way of doing things and continuing the process is the rest of the equation.

LEADERSHIP

It always seems to come down to this thing called leadership doesn't it?

We recently read some of Warren Buffet's words of wisdom. He had two rules.

Rule 1 – Never lose money.

Rule 2 – Never forget rule 1.

The rules from this book for obtaining outstanding business results are:

Rule 1 - Tap into the creativity of all your people (they all have creative talent); give them the agility to flex with the business needs

Rule 2 – Never forget rule 1.

“People of talent resemble a musical instrument more closely than they do a musician. Without outside help, they produce not a single sound, but given even the slightest touch, and a magnificent tune emanates from them.”

- Franz Grillparzer

The following pages contain articles/stories that you as a leader can use to generate improvement conversations with your people. Some of these may resonate with you and others may not. One size does not fit all. One size fits one or some. After your people begin to make improvements and document the new standard work, have them share their stories. These articles are no substitute for real results, told by real people, in your organization.

Read these like you would read a magazine. Scan the tiles, read what interests you, read only a few words of some articles, read them in any order you wish.

Improve Your Bottom Line

Customers want our products and services to be better, delivered faster, and produced less expensively. This means that everything we do needs to be improved. To stay competitive in this world we have to be better than we were last year and we should be prepared to be better next year. We must continuously improve. Engaged employees can show us the way. All employees can be thinking about how to reduce costs, looking at safety issues, reducing wastes and improving the environment, while at the same time developing skills to identify, articulate and communicate those kinds of things.

The Gallup Organization has studied thousands of companies and surveyed millions of employees. Their research has shown that very few employees are engaged and that a relatively small increase in the amount of engaged workers can reap great benefits for a company.

At the lowest level, engaged employees help a company stay in business and at a higher level employees start thinking about how they can improve themselves. They can take some ownership over their job; and also over their own development. It starts people thinking in new and different ways about the things they do.

In the book, "First, Break All the Rules" by Marcus Buckingham and Curt Coffman from Gallup, it is noted that the manager, not anything or anyone else, was most critical in building a strong workforce. A lot of companies struggle with leadership skills, communications interaction, and improving management skills. We are now undergoing a paradigm shift as many organizations are beginning to realize that management's job is to support the people doing

the work as opposed to dictating how to do the work.

Engaging employees in improving their work creates new levels of communication and gives the ownership of improvements to the worker. We now recognize that “you know your job better than others do because you are the one that does it every day.” Since people are the expert in their work, who better to come up with ideas to improve it than them. We all want, need and deserve respect. Engaged people see the fruits of their labor as other people have accepted their ideas. They now receive positive feedback for a “job well done.”

Any process, any product, any service can be made better in some way, somehow. One plant manager said, “It used to be that my problem solvers were solely the management team, but now my problem solvers are everybody in the building.” How can you beat that?

Unlock the Hidden Creativity of Your Employees

To release creativity in employees, leaders must get involved in their employees' work. Look at each employee as if he or she is the expert on the job and tap into their creative energy.

We've learned that we can use the energy of the wind and the sun. We've also learned to harness energy stored in the form of coal and oil. Creative energy, like any other kind of energy, can be harnessed and managed.

When we engage our employees and tap into their creative energy, they can show us ways to improve. All employees can be thinking about how to reduce costs, looking at safety issues, reducing wastes, and improving the environment, while at the same time developing skills to identify, articulate and communicate those kinds of things.

What can people do with their creative energy?

Michael took some wood, cardboard, and tape and made a 'flipper' to close boxes, eliminating the work he was doing.

Omar used a cardboard box to protect coworkers from a hot pipe. Later the box was replaced by a plastic coated wire guard.

Claudia designed a fixture to hold bubble wrap she used for packaging.

Physicians at UCLA Medical Center created software for storing medical images on Apple iPods, making the results mobile.



Hyman Lipman took an eraser and put it on top of a pencil. I know you've used the result of his creative energy.

So go out and ask your people, "What can you do to make your job easier, more interesting, build your skills, and help the company save some money, improve safety, reduce defects, improve customer service, and reduce the time it takes us to deliver our products and our services?"

Involvement is demanding and requires listening. Any process, any product, any service can be made better in some way, somehow. So involve your people and tap into their creative energy.

Understand What Flows Through Your Business to Find Improvement

I remember once seeing a cartoon which showed two people working a counter. On the wall behind them was a sign which read, "Quality Work, Low Price, Fast Service – Pick Two." In order to deliver all three, which is what customers expect, it's important to understand the flows of your organization.

The first flow is, of course, cash flow. This comes in two varieties, money coming into the organization, revenue, and money going out, expenses. Understanding cash flow is not as easy as it appears. Throughput accounting and Lean accounting are two methods some companies are using to try and get a better understanding of how cash flows through a business.

The second flow is the product or service flow. This starts with how the product or service is designed. The next step is how the product is built or the service delivered. How is the product or service used? Finally, what happens when the customer is done is the product discarded, recycled, or consumed.

How does information flow through the organization? How does it come into the company and how does it leave? How is it used in the organization, does it follow the work or pull the work forward? What types of feedback is received?

How does material flow in the company? If a product is built, how are the raw materials or parts brought to the point of assembly. For a service, how do the necessary information, materials, and people get to where they are needed?

How does the movement of the workers flow? Is the motion smooth or does it start and stop like rush hour traffic? Are there any wasted motions, like retrieving a paper file from a cabinet in another room or walking over to get a tool which is required for product assembly? Why is the tool at the point where it is needed? Why is the file located in a cabinet in another area?

Creative flow is important to understand. Creative energy, like any other kind of energy, can be harnessed and managed. Does a research and development department create everything and the rest of the people just do what they're told? Or are all employees thinking about innovation, how to reduce costs, looking at safety issues, reducing wastes, and improving the environment. Are people developing skills to identify, articulate and communicate those kinds of things?

The final flow is time. Time is, of course, a factor in all the other flows. Since we can't change time, rather than looking at how time flows; we need to see how the organization flows through time. How long does it take to accomplish things? Can the time be reduced? By reducing the time it takes to do our work, we reduce or eliminate the wasted things we do. Eliminating wasted brings us closer and closer to excellence.

By observing the flows in our work, we can see where things run smoothly like a tranquil river. Bottlenecks in the workflow create turmoil, much like the rapids in a river.

“Oh, this ol’ river keeps on rollin’, though,

*No matter what gets in the way and which way the
wind does blow,*

And as long as it does I’ll just sit here

And watch the river flow.”

- Bob Dylan (Watching The River Flow © 1971 by Big Sky Music)

Any process, any product, any service can be made better in some way, somehow. So observe and understand the flows of your organization, it will lead to improvement opportunities.

Involving People Gave Us the Improvements We Needed

We had a problem with handling materials in a production department. Our process required raw materials to enter the department, be processed, and leave the department. The raw material was placed on pods, delivered for production, removed from the pods, placed on a staging fixture, removed from the fixture and process materials were then placed on another pod and delivered to an internal customer. Internal customer had to place on still another pod.

Someone suggested placing the material from the fixture onto the customer's internal pod to reduce handling, errors, etc. Room was tight (because two different style pods were used, one for raw material and one for processing) and someone long ago suggested moving a wall to create more space for easier movement of the pods.

After we realized that involving people would give us the improvements we wanted, someone suggested modifying the pods into a cart that could hold more material and reduce our need for more space. Others became involved; Martin developed possible designs for the cart while speaking with his coworkers to find out their ideas.

A cross-functional team designed and built a new cart. It held more raw materials, eliminated the need for the staging fixture, and allowed raw material and processed material to be transported on the same cart, eliminating the need for the second pod. The cart was built by reusing materials from the old pods.

Immediate benefits included less movement and less contamination of materials; also the new cart

was more ergonomically friendly. After using the new cart, others came up with more ideas. All together 20 people contributed improvements to eliminate unnecessary equipment, combine processes, and reduce cost. Fourteen process steps were reduced to seven, operator motion was reduced, material was moved less, quality improved, and the job of the operator was made easier.

Someone had the idea of using the cart in a different area, so more improvements are to come.

Quality Assurance Director's Team Meeting

In the Michigan Department of Mental Health, the Quality Assurance Director has a 3 segment work group meeting to establish new standards in identifying quality in services, record keeping, and audit process specifics in newer service areas or areas that are in transition.

A broad group of experts from the field meet monthly to draft standards defining the best practices and recommended performance criteria.

Meetings can work, do yours?

A meeting can be productive, or it can be a total waste of time. Reflect on your meetings.

Is this meeting necessary?

Are people prepared?

Are the right people in the meeting?

What are we doing effectively?

What could be done outside of the meeting?

Do people participate?



Help Your Business, Learn From Puppy Training

As leaders we always want to improve the performance of our organization. To improve we must release the creativity in our employees, leaders must get involved in their employees' work. Customers want our products and services to be better, delivered faster, and produced less expensively. This means that everything we do needs to be improved. To stay competitive in this world we have to be better than we were last year and we should be prepared to be better next year. We must continuously improve. Engaged employees can show us the way. All employees can be thinking about how to reduce costs, looking at safety issues, reducing wastes and improving the environment, while at the same time developing skills to identify, articulate and communicate those kinds of things.

Engaging employees in improving their work creates new levels of communication and gives the ownership of improvements to the worker. We now recognize that "you know your job better than management does because you are the one that does it every day." Since people are the expert in their work, who better to come up with ideas to improve it than them. Not everyone knows how to do this, but maybe it isn't all that different than training a puppy. Following are some common themes used when training puppies.

Have a proper kennel, it should not be too large, just enough space to stand up, turn around and lie down. Most puppies will not soil where they lay. Having too much space in your business attracts waste. Excess inventory, outdated machines, old files, and other junk will soil too large a space. Transporting parts and materials around the work

area and any motions (such as walking across a large area) that do not add value to your product or service are additional wastes which can be eliminated or reduced by not having too much space.

Schedule all feeding times at the same time each day. Companies throughout Japan have a practice called the “manager’s walk,” where a manager walks through their area at the same time each day. A theme is selected for each walk, the manager asks questions around the theme and shares information. This is a powerful process for learning and sharing information. So go out and ask your employees, “What can you do to make your job easier, more interesting, build your skills, and help the company save some money, improve safety, reduce defects, improve customer service, and reduce the time it takes us to deliver our products and our services?” Involvement is demanding and requires listening. Any process, any product, any service can be made better in some way, somehow. So involve your people and tap into their creative energy.

Spend as much quality time as possible with your new puppy, this encourages him to do the things you ask of him. To release the creativity in our employees, a leader must get involved in that employee’s work. They must follow up on employee ideas and promote employee involvement in the business. When we engage our employees and tap into their creative energy, they can show us ways to improve. All employees can be thinking about how to reduce costs, looking at safety issues, reducing wastes, and improving the environment, while at the same time developing skills to identify, articulate and communicate those kinds of things. What can people do with their creative energy?

First thing in the morning take your puppy from the kennel to the area you've decided will be the place for your puppy to eliminate. If your puppy eliminates then praise and reward him. Your business also needs a consistent startup procedure. Maybe a quick meeting about what needs to be done today to share a common understanding of today's goals. Be sure to include a review of some of your employee's ideas and a plan for how you will challenge your people to improve the business. To release creativity in employees, managers must get involved in their employees' work. Think of topics you can talk about with your people, then visit them where they work. Look at each employee as if he or she is the expert on the job and tap into their creative energy.

Proper clean up is critical to proper housetraining. A puppy will return to where he has eliminated before if it is not properly cleaned. Your workplace also needs to be properly maintained. Sort through your materials and remove what isn't needed. Materials that are necessary should be properly stored, so everyone knows where everything goes. Clean equipment, tools and the workplace, this is a foundation for both safety and equipment maintenance. Once you do these things, you can standardize these practices and make a habit of following these procedures. Lean manufacturers call these the 5S of workplace organization – sort, store, shine, standardize, and sustain.

Prevention and positive encouragement are the best ways to teach your puppy. Once an employee identifies a solution to a problem, put a procedure or fixture in place to prevent the problem from reoccurring. Respond to your people's ideas. Use praise, show respect, thank them and treat them the way you would like to be treated. See how their ideas can or cannot be implemented and provide positive feedback. We all want, need and deserve respect. Engaged people see the fruits of their labor as other people have accepted their ideas.

Give positive feedback for a "job well done."

Punishment won't help. Screaming or hitting will only create fear, confusing and training your puppy to soil when you are not around.

Enough said.

The Real Secret behind the World's Most Successful Manufacturing Company

There is no doubt that Toyota is one of the most successful manufacturing companies in the world. In fact lean manufacturing is derived from the management and manufacturing practices of the Toyota Corporation.

The manufacturing techniques and way of thinking at Toyota have been well documented. In essence the focus at this carmaker is the absolute elimination of waste. The result is a constant improvement in the flow of material from raw material to finished product. With every tiny improvement, costs of manufacturing are reduced and efficiency improved. The result is higher profits all the time. The Toyota way is all about attention to detail right from the ordering of raw materials, which is done according to the needs of the day. This virtually eliminates the need to keep large stocks of raw material which end up reducing costs.

Still, there is one element in the whole lean manufacturing process that is usually not given enough prominence and at times is ignored altogether by corporate concerns seeking to implement lean manufacturing. This is the element that is the real secret behind the amazing success of Toyota as an automobile manufacturer.

The element I am referring to here is of course people. In fact people are the most valuable resource in any company. The constant improvements and lean manufacturing principals that are the foundation of Toyota are heavily dependant on the staff. It is the workers' flow of information and ideas that ensures constant and consistent improvement. Bluntly put, without the

human resource element, a lean enterprise will just not happen.

In a lean organization it is absolutely critical that people grow with the system so as to be able to take extra responsibilities and become more productive. Workers usually grow and improve on their productivity much more quickly where they are highly motivated and in a position where they can regularly suggest and implement ideas for improvements and elimination of waste in the manufacturing process.

The Big Mistake Companies Make In Their Training Programs

Many organizations spend huge sums of money on staff training and development and yet many times the investment does not yield the desired results.

The reason for this lack of results and what really goes wrong usually remains a mystery to most company executives. Especially where they have taken great care in selecting a top-notch expensive training outfit to carry out their staff development program.

The wrong approach starts right from the decision-making process. Somebody feels that, for example, the sales team is not achieving anywhere near as much sales as the competition. If there are some available figures to prove their point, the better. Naturally the first solution that comes to mind is sales training. Many times this fails miserably to have any significant effect on sales because, as is often the case, the problem is much deeper than that.

The reason why the real cause for sales not being where they should be may never be discovered in such an organization is the lack of communication in the organization. One would have thought that with all the advancements in communications today, this should be a thing of the past. Alas, communications has little to do with having access to email or personal mobile telephone numbers of all the Vice Presidents of the corporation.

It has much more to do with the culture of the company and the kind of constant effort being made to enhance communications throughout the organization. Does the organization have a system for harnessing ideas from all employees right at every level? In other words, are the

channels of communication in the organization up and working? Are they a constant source of concern by senior management or do people just think about them when there is a crisis like the example of slipping sales?

This is what makes the difference. When the communications lines are truly open and working, then management has much more accurate and abundant information upon which to make decisions. And even more important, training and development will have the desired impact on everybody's performance.



How to Win Big Improvements and Larger Market Share A Little At a Time

Despite the great changes we have seen in markets all over the world, ushered in by the information age and other factors, company executives are still demanding big improvements and ever-larger market share for their products and services without first appreciating how this happens in the real world today.

The truth of the matter is that the World Wide Web has shrunk the world marketplace into one little tiny flea market in the village corner. Competition is fiercely keen and market domination is rare, rapidly diminishing and really a thing of the past.

So how is it really done? How did the few surviving giants in today's marketplace achieve things?

Actually if you carefully study the situation you will find that they did it in the same way that a person gets to eat an entire elephant. That is a little at a time, consistently until the huge monster is all gone. You can understand how much faster the whole thing can be achieved when every worker and staff member is making their small significant contribution, steadily and consistently.

That is where the real corporate challenge for a massive improvement is. In the people who are supposed to drive forward the whole process – your staff.

The only way to achieve significant improvements in today's marketplace is to find a way to get everybody pulling together in one direction and to motivate all staff members, without exception, to implement little small ideas all the time. Individually these ideas may not seem to be much,

with the tiny improvements they bring, but collectively, the ideas will swiftly drive forward the corporate ship at blinding speed. Admittedly, this is no easy task to accomplish, but it is within reach of any organization that makes the effort.

The way to do it is definitely not to take the easy way out and invest everything in a few key, highly productive star employees. Apart from the resentment in the organization that this quite often tends to create, which is fertile ground for sabotage and other negative aspects, the truth is that real impact and improvement can only be achieved through a total team effort.

Why Spend So Much On Equipment Maintenance And Then Ignore Human Resources?

It is amazing how businesses go to so much trouble to take care of their company data, information technology tools and other corporate machinery and equipment. Millions of dollars are invested into the maintenance of machines and ensuring that they keep on working the way they should.

Then the same company goes and totally ignores the most important resource of all in any organization – its' human resources. This happens rather too frequently in corporate America. The results are there for everybody to see. High on the list are the manufacturing companies that have priced many of their locally produced products right out of the market. Our Japanese counterparts who place a high premium on employee respect, motivation and development, clearly have an edge in the key manufacturing sector. Still many of us continue to ignore them and we too often reject opportunities to learn from their success.

For instance after years of Toyota steadily gaining market share and dominance in the world vehicle market, corporate America is now only slowly realizing the unique manufacturing and human resource management that has gone into creating that is arguably the most successful manufacturing company on the face of the earth.

In a situation where a business has no qualms or hesitation in spending big on equipment at the expense of people development, it is very difficult to motivate the workforce. After all nobody likes to feel that they are less important than a machine

no matter how advanced and sophisticated that equipment is.

Actually the golden key that any corporate company requires to unlock lower costs and increased profitability is not machinery or equipment maintenance but human resource maintenance. After all even the machinery needs to be run or operated by people and the equipment maintenance performed by people. The less engaged and motivated they are, the less the chances that they will take good care of the company plant and equipment. Toyota's famed production system is supported by two pillars, continuous improvement through the elimination of waste and respect for people. It's the people that keep the operation running and continually find ways to improve their work.

The effective way to maintain equipment and keep costs low is through motivating staff and unleashing their power of creativity within the organization and everything it does.

I visited a production machining, welding, and assembly company.

(a story from Chuck)

I was part of a group invited on a plant tour. As we waited for our bus to take us to the facility, I was engaged in conversation with my friend, Gary Smuda. I recently moved from Michigan and purchased a house in South Carolina. We talked for a while about home remodeling and repairs. Gary asked if my furnace and water heater are located in the attic, since that's a common practice in some warm weather states but is not normal in Michigan. Gary then told me a story about a friend of his who has a leaking water heater in the attic. The leak wasn't discovered until some of the water damaged drywall in the ceiling.

Soon the bus came to take us on our tour. This is an exciting company to visit since they are focused on their customers' success. The company has a high level of employee engagement, involving their people in continuous improvement through an active suggestion implementation process. Our hosts asked us to look for improvement opportunities and offer ideas at the end of our visit.

The tour began in large room on the second floor of the building. As we walked down the stairs to the plant floor, I noticed a water heater mounted on the wall about 9 feet above the plant floor. The water heater sat on a shelf over a walkway to an office area, on the wall the shelf was directly located above an electrical panel. There was no pan to contain water the water heater tank, nor was there a drain pipe to safely channel the water in case of a leak..

Sometimes when the bottom of a water tank starts to leak, it's a slow leak, other times water quickly spews through the opening. In this case, a slow leak may damage the wall and short circuited the electrical panel, causing a disruption in production or possibly a fire before it would be discovered. A quick leak may have burned an employee or visitor in the walkway and short circuited the electrical panel. A simple fix is to put a pan under the water tank with a drain pipe running along the wall to the cement floor of the plant. A leak would cause a pool of water on the floor which would be noticed and the tank could be replaced prior to any real damage being done.

Maybe the water tank would be replaced prior to a leak developing; maybe a small leak would be discovered before a problem occurs. Maybe not, a few dollars spent on a pan and some pipe at the local hardware could avoid potential safety and production problems.

Employees and visitors walk past the water heater every day; none of them saw the potential problems or opportunity because it wasn't 'visible' to them. Every workplace has similar problems and opportunities. They are invisible most of the time, however, there are times when circumstances come together and allow the opportunity to be seen.

Let's look at what happened regarding the water heater.

First, Gary was visiting a friend in Memphis Tennessee. His friend had a problem with a leak from his water heater, located in the attic. Gary happened to be there to help his friend move the new heater into the attic.

I moved to South Carolina and purchased a house.

Gary and I were talking the morning of our tour. The conversation steered toward my move and new house. Gary asked if my water heater was located in the attic. Gary told me the story of the leaking heater in his friend's attic.

Our hosts asked us to look for improvement opportunities. We toured the plant and I saw a water heater mounted on a wall.

If any of the things I just mentioned did not occur than I would not have thought of the improvement idea. I wouldn't have thought of it the day before and a few days later the conversation with Gary would be collecting cobwebs in the back of my mind.

The reason the improvement was brought forward was that I was asked to contribute an idea that day. Situations like Gary visiting his friend, helping his friend, and talking to me about it happen all the time, it's called life.

We typically don't think about what happens unless we're asked. If Gary hadn't told me the story, I wouldn't have thought about the water heater. If I was not asked for improvement ideas I wouldn't have thought about the water heater. The opportunity would have been invisible to me.

The water heater now has a proper drain with a pan that is located behind a beam located in the corner of the wall.

These type of opportunities become visible to the people we work with from time to time. Just like the water heater example, they may only be visible for a brief period of time. This is way it's so important that managers work with their people each and every day to encourage improvement in the workplace.

Listening To the People Who Actually Do the Work

In the wake of the chaotic world of business that is today's reality, there are those who believe that manufacturing and some services in America are virtually on their last legs. And while there has been plenty of analysis as to what may have gone wrong, the reality is that corrective measures are late in being implemented.

One of the probable reasons for this may surprise many. It is simply the fact that the solution is too simple for most to take seriously. The Japanese management practice of engaging people in improving their work is so simple that many executives who come across it keep on looking for "something else" and refuse to believe that behind this simple system is the amazing success story of Japanese manufacturing.

It is really not surprising that many managers who have hurriedly implemented cosmetic changes or even more hurriedly experimented with "asking employees for ideas" to believe that listening to the people who actually do the work over time creates a huge competitive edge. It is hardly surprising because hurried cosmetic changes or half-hearted efforts at experimentation will just not cut it. The fact is that we are dealing with the complexities of human nature which is often very fast in detecting insincerity, especially when it's coming from management.

What tends to follow is in fact the very opposite of the desired effect. It is the sort of situation that can instead create plenty of tension in the workplace and has the potential to explode into unrest and serious animosity between people and their supervisors.

This is precisely why it is better not to do anything at all than to try and implement something in a half-hearted experimental basis where management does not really believe in what they are doing.



Small Improvements Can Add a Lot of Value

Real estate agent newsletters and home improvement magazines are great at showing that fast and inexpensive improvements can add value to a home.

Replacing small items like kitchen cabinet knobs can dress up a kitchen, shutters on the front of a house enhance its curb appeal, glass shower doors instead of a shower curtain in a small bathroom make it look larger.

Replacing linoleum flooring with ceramic tiles, changing a light fixture, seal-coating an asphalt driveway, adding crown molding are all ways to make a home look nicer. A coat of paint does wonders.

Most of these are fairly inexpensive; they can add great value when trying to sell a home. Doing these things when you are not planning to sell adds value to your living experience.

There are, of course, many other ways to improve a home. New windows or doors, landscaping, building a deck or an addition will all add value, although they cost more. When we make these kinds of improvements, usually we need to justify the investment.

What are fast and inexpensive improvements you can make in your work?



You Can't Do It Alone!

“Adam was not alone in the Garden of Eden, however, and does not deserve all the credit; much is due to Eve, the first woman, and Satan, the first consultant.”

- Mark Twain 1867

All You Gotta Do Is Ask

You can do it

You need a system

Don't be afraid

Engage your people

Get help if you need it

(not all consultants are Satan)

Will We Ever Accept The Fact That Our People Can Improve The Company?

Probably one of the least considered problems in corporate management today is that there are still too many jokes being told about the average worker. Hopefully this isn't true in your organization, but if it is then the joke now is really on management.

In the wake of increased competition from emerging economies where labor costs are too low to be believed, and in a rapidly changing hi-tech yet increasingly dangerous new world entering the information age, nobody is quite sure where we are all headed. And yet in all this uncertainty there are a number of things which are clear, one of them being that a vast majority of established well known companies are no longer competitive.

The message here is clear. It would be impossible for such a management team to come to terms with the fact that ordinary workers are best placed to find improvements, rather than the management team. After all they are the people who make the products, answer customer complaints daily and also have to deal with suppliers on a day to day basis. They have a perfect view of waste and can usually see possible avenues for creative solutions that will bring better efficiency, happier customers, and higher profits.

In sharp contrast much of today's management is busy putting out fires that they are ill equipped to deal with. To start with crisis management is hardly the sort of environment where creativity thrives.

Yet poor management will hardly acknowledge the fact that ordinary workers are in a much better position to provide intelligent and creative solutions to many nagging problems. It therefore becomes very difficult for the same management to work on creating the sort of environment where ideas generated by ordinary workers thrive. This is not the sort of environment that comes into existence accidentally. It has to be deliberately nurtured and created. Not forgetting that one of the key ingredients that management will have to ensure is very much evident is sincerity.

We Shine



Getting Your People to Think Rather Than Sweat It Out Will Revolutionize Production

Changing traditional thinking is easier said than done. Take an ordinary factory floor where workers are busy sweating it out. The more they sweat the harder they are working and that should be good for the company. At least that is what some of us have been brought up to believe. This is the traditional thinking behind productivity.

The story is told of how former VP of production at Toyota, Taiichi Ohno once saw a worker sweating on the factory floor and was far from being pleased at this. "Why not make the work easier so the person doesn't have to sweat?" he quipped.

Simplifying one particular task on a factory floor so that the worker does not have to sweat requires some thinking. But the huge benefit will be that the particular worker will be able to do much more when that task is made easier. This is at the heart of the Toyota Production System where workers go to work to think rather than to work hard and sweat it out. It is the little secret – if you want to call it that – that has made the Toyota Motor Corporation, the most efficient manufacturing entity in the world.

The big problem is that this little secret goes against every traditional piece of thinking on the subject of productivity that we know. How can somebody be productive without sweating it out and getting the task done? We picture a worker on the assembly line staring into space thinking and holding up the entire line. And that causes us to dismiss this idea as some pipe dream that does not work.

Meanwhile those who have the courage to shrug off their traditional thinking are reaping huge rewards in company productivity and efficiency.

You Never Know What You're Gonna Get

"My mamma always said, "Life was like a box of chocolates. You never know what you're gonna get."

– Forrest Gump

Ideas are like that, you never know which ones can be the good ones. In fact people are like that, too. You never know who has the right idea inside them.

Sure, all those chocolates may look similar, but there are differences. Some of the chocolate may have more cocoa, some more sugar. Bigger differences are under the cover. You may find caramel filling, cashew clusters, peanut clusters, almond clusters, coconut, toffee, or many other fillings. Some are simple and some more complex.

While the coconut crème brûlée works for me, the raspberry pistachio is right for you.

What lies under our ideas, where can they be used, how can they be modified to suit other purposes. Where can we find the ideas?



A NOTE FROM THE AUTHORS

It's simple. Maybe this book seems too simple for some people, but in this world of constant change it's important that you take the time to adapt to changes, even simple changes. It's been said that the only constant in business is change. This is true for your industry, your organization, and your career.

If you didn't understand a term like standard work, lean more about it. What is it? Why is it important? How is it best documented?

If you think you need a system for capturing ideas – you're right, you do. Find one that works for you. Find measures that work for you.

This may be simple, but there is much work to be done.

ONWORD

Read a section of the book or one of the articles and reflect on it.

Have a group of leaders read a section or an article, reflect on it and then discuss it.

How does this relate to us?

How can we involve our people?

What is stopping us?

How can we remove barriers?

What role do I (we) play?

Compliment people for their ideas

Recognize people's ideas

Recognize accomplishments

Decide that you will make your department (or the company) great.

Ask for feedback

Ask what's wrong with something

Ask how to make it better

Look for the right questions. If you ask the right question you get the right answer.

Learn from mistakes, don't let them become defects. The wrong answer may need to a novel solution, maybe it can be built upon.

Have your people read a section or an article and discuss it.

Find your own stories to share to keep the conversation alive.

"We are here, I believe, for one purpose and that is to grow."

-Norman Bodek

LEARNING IS ONGOING



CHUCK YORKE

For more than 20 years, Chuck Yorke has acted as a catalyst, helping organizations become more effective.

Chuck works directly with CEOs, managers, and others to help engage employees at all levels to move their organization forward.

He is the author of ***All You Gotta Do Is Ask***, a book (co-authored by Norman Bodek) explaining how to promote a large number of ideas from employees.

Mr. Yorke is an accomplished speaker, consultant, and trainer. He is uniquely qualified to help you succeed by working with your people to make innovation an embedded capability within your organization.

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“Bringing the lessons and methods of the corporate mainstream to healthcare is not an easy translation. It takes a true systems thinker to apply these concepts to very different industries. But to do this with a ‘put people first’ awareness and commitment takes Chuck. His PeopleKaizen approach brings together thinking and practices not available in other places.”

- R.C., Project Coordinator,
Office of Long-Term Care Support and Services.
Michigan Department of Community Health

JIM GARRICK

Industry Consultant FedEx Services

Mr. Garrick is a Lean process improvement professional with over twenty years of consumer packaged goods, HVAC, automotive, and consulting experience. His accomplishments include process improvement, plant layout and design, manufacturing process optimization, consumer packaged goods brand development, product design and development, and field sales operations. The majority of his experience is concentrated in the areas of Lean Manufacturing and the optimization of the enterprise supply chain.

He is a certified Lean Master, Six Sigma Black Belt, Manufacturing Engineer, Production Inventory Control Manager, Engineering Manager, Systems Integrator, Plant Layout and Design Engineer, ISO 9000 registration, and Sales and Marketing Executive. Mr. Garrick has obtained the Silver level with the Society of Manufacturing Engineers, Association for Manufacturing Excellence, and Shingo Prize LEAN certification. Mr. Garrick has received numerous professional awards. He is a member of the SE Board of Directors for the Association of Manufacturing Excellence, Member Council for the Society of Manufacturing Engineers, and is a core team member for the SME/AME/Shingo Prize LEAN certification program. He is currently a Shingo Prize examiner and Tennessee Malcolm Baldrige examiner.