

# Improvement Initiatives

Change – for the better

## Inside this issue

Free is good .....	1
Safety, Quality, Speed .....	1
Do 3 kaizen's a Week .....	2
Know, Show, Do and Review ..	3

FREE NEWSLETTER

July 2009



**"Change,  
before you have to ..."**

**- Jack Welch  
Former CEO,  
General Electric**

## Keep your money. In today's economy, free is good.

*by Jay Watson*

Today, especially more than ever, consumers are searching for value. Concerned with getting more for their money, they are scouring the World Wide Web for the best deals possible, electronically clipping coupons, and hunting down the "freebies".

In America, 'Black Friday', the day after the Thanksgiving holiday, whips the bargain hunters into a feeding frenzy each year with offerings of free merchandise and promotional services. (In November, check the "Black Friday" deals on the web...) Participants, and retailers alike, rise at 4:00 a.m. in the morning to out-do the competition. Each year they vie to do better, be better, and live better for it.

Playing on this revelation of betterment, value leader Wal-Mart changed its decade-old slogan of "Low prices - Always" to "Save Money. Live Better." Home Depot used to say, "You can do it, We can help" now sports, "More saving. More doing."

What is the absolute best value in the marketplace today? Surprisingly – it's the new business concept of "free"!

Chris Anderson, in the February 2008 edition of *Wired* magazine, makes the case why free is the future of business.

He cites success stories in the Gillette razor company who gave away the razors to sell the blades, and other free providers such as Google, Yahoo and Craig's List to name a few.

*continued on next page*

## Safer, Better, Faster (*Is this your company?*)

*by Jay Watson*

Do you or your organization have a strategy for perfection? Do you talk about product quality, process quality, the new product introduction process, and learning in your organization?

Yes, great! No, why not?

Here's one definition on 'Perfection'

- > deliver customized value
- > exactly at the right time
- > no waste or variability

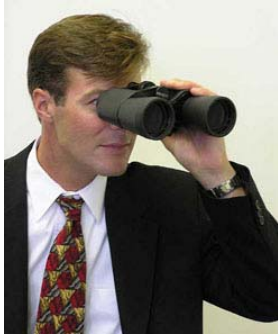
There are several approaches in the relentless pursuit of perfection, but two key ones are:

- 1) Continual Improvement (Kaizen)
- 2) Breakthrough Improvement (Kaiku)

With regard to improvement, Leadership teams should focus their attention in three areas and in this order:

- SAFETY
- QUALITY
- SPEED

*continued on page four*



## Look for Waste, Identify it, Eliminate it !

**MUDA** is waste in the process. It commonly takes the forms of Defects, Overproduction, Transportation, Waiting, Inspection, Motion, and the actual Process, itself.

**MURI** is waste caused by how the work is done and the individual task is designed. It is caused by poor layout and organization.

**MURA** is waste caused by poor quality. It is caused by process unpredictability.

### Free is Good ... (continued from page 1)

Citing the article: "Once a marketing gimmick, free has emerged as a full-fledged economy. Offering free music proved successful for Radiohead, Trent Reznor of Nine Inch Nails, and a swarm of other bands on MySpace that grasped the audience-building merits of zero. The fastest-growing parts of the gaming industry are ad-supported casual games online and free-to-try massively multiplayer online games. Virtually everything Google does is free to consumers, from Gmail to Picasa to GOOG-411.

The rise of "freeconomics" is being driven by the underlying technologies that power the Web. Just as Moore's law dictates that a unit of processing power halves in price every 18 months, the price of bandwidth and storage is dropping even faster. Which is to say, the trend lines that determine the cost of doing business online all point the same way: to zero.

The psychology of "free" is powerful indeed, as any marketer will tell you. This difference between cheap and free is what venture capitalist Josh Kopelman calls the "penny gap." People think demand is elastic and that volume falls in a straight line as price rises, but the truth is that zero is one market and any other price is another. In many cases, that's the difference between a great market and none at all.

The huge psychological gap between "almost zero" and "zero" is why micropayments failed. It's why Google doesn't show up on your credit card. It's why modern Web companies don't charge their users anything. And, it's why Yahoo gives away disk drive space. The question of infinite storage was not *if* but *when*. The winners made their stuff free first."

This is why I developed the free web sites focused on quality and productivity improvement methods: [freeleansite.com](http://freeleansite.com) and [freesixsigmasite.com](http://freesixsigmasite.com)

Please utilize them to improve.

## We Did 3 Kaizen's a Week, You can too! (Part 1 of 2)

*Case Study by Jay Watson*

**Centered on lagging Safety, Quality, and Speed of Execution (SQS) actual performance to targets, the site leadership team of this 1,100 employee manufacturing facility focused on developing a standardized process for continuing improvement, waste reduction and process control. Planning, developing, and executing team-based Kaizen events became the method for all plant improvement efforts.**

**Without full management commitment, including dedicated facility resources, and a "very standardized delivery process" , the first attempts at Kaizen came up short. Finally, with the staffing**

**of five full-time Lean/ Six Sigma belts operating the Lean Promotion Office, (LPO), it became evident that three, perhaps four, concurrent kaizen teams could be executed each week.**



LPO developed 'standard work' for Kaizen roll-out  
[continued on page 4](#)

## Know, Show, Do and Review (Part 1 of 2)

*"Teachable Hour" Training Model designed specifically for Adult Learners*

**During a workshop** I conducted a few years ago, I presented an adult learning model (real-world application) for the lean six-sigma student and instructor both, based on the simple, easy to remember rhyme: Know, Show, Do, and Review.

The "Teachable Hour" dissected: for the 60 or 90-minute session, the instructor divides the classroom time into four segments that correspond to the actions above whilst constantly reinforcing the material with the participants. Each segment time may ebb and flow, depending on material being covered, rate of understanding, class participation, number of small group activities and, if participants can tolerate the extra seat (learning) time ... This is all subject to the instructor and dependent on several factors – group discussions, level of interest, natural breaks (subject), restroom needs, etc

A task of the adult learner is being non-resistant to learning and open to new material or concepts being introduced. I have on occasion, told participants to "just relax, chill out" at the beginning of the workshop or seminar. Let the material flow out.

In the early stage of the "getting to know the students," typically the first meeting, I explain the model to the students as part of the class agenda, and reaffirm that they will be exposed to new material at least 5 times. This instruction relaxes many anxiety fears of older (greater than 30 year olds) returning students.

Plan to present your material around this sequence:

**The five learning exposures** for a participant to brand-new material include:

- 1) introductory material (icebreaker, pre-work, handouts, readings, short video)
- 2) 'lecture' based examples
- 3) working out a simple problem with a partner
- 4) small-group case study with team report-out
- 5) facilitator – lead review with entire class (verbal) or written review (test)

If participants and instructors operate within this framework, I believe the learning process is enhanced in several ways. First, the instructor can more quickly assume the role of facilitator and move through the stages quicker. Secondly, they should solicit examples from participants using direct questions.

Many adult learners have excellent experiences they bring to the classroom setting and these experiences can lend credence to the material being presented by the instructor. Also, other participants may be able to make the 'leap to understanding' easier from a colleague than from a "stuffy shirt" consultant type stuck in lecture mode.

Next time –  
The four segments in detail...

## Meeting Expectations

**When leading a meeting:**

**Take your time. Your teammates will understand if you need a little extra time to organize your thoughts.**

**Use an agenda as your guide. A well-organized agenda is a meeting leader's best friend.**

**Ask someone to write key points and action items on a chalk/ white board or flip chart in full view of the whole team.**

**Don't be shy about asking for help from the other participants. It's their meeting too.**

**Knowing how to lead meetings is a valuable skill that will benefit all team members. Ask your team to rotate this responsibility.**



**Baseline**

A standard for Comparisons, a Reference for Measuring progress, usually to differentiate between a current state and a future state.

Benchmarking principles:

- > Legality
- > Exchange
- > Confidentiality
- > Use
- > Contact
- > Preparation
- > Completion
- > Understanding
- > Action

Learn more

@

www.apqc.org

**Safer, Better, Faster (cont. from page 1)**

- Safety first in everything we do! Period. Accidents and lost days are unacceptable and our people are our most important asset! *Right? Right!*
- Quality is next, broken and poor performing processes simply raise costs and increase cycle times.
- Speed of execution measures next. We don't want to 'lean out' a broken process only to produce scrap faster!

**A Continuous Improvement Vision**

Exactly and instantaneously, satisfy customer demands.

**A Continuous Improvement Mission**

Empower employees to contribute improvements. Work together to minimize waste of working on the wrong things...

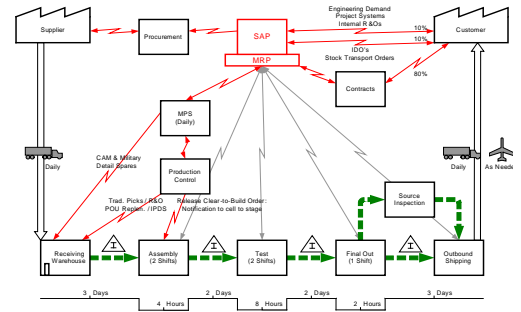
**Don't forget to Institute a Recycling Process**

*– It's free money!*



**3 Kaizen's a week (continued from page 2)**

One key to success: The leader of this group reported directly to the site operations manager. Projects (from problem areas) were developed from analysis of leverage points off the Value Stream Map.



The LPO group also managed the suggestion program and mentored longer-term efforts with black or lean/ green belts.

Foundational quality and process improvement training with the management staff assured team charters were completed and projects scoped small enough for completion within the five days.

Proper planning, scheduling, and communications, was in effect with all team members and supervisory staff a full two weeks prior to the scheduled Kaizen event.

**Improvement Initiatives LLC**

2135 e. La Jolla Drive  
 Tempe, Az 85282  
 (480) 820 0877

improvementinit@yahoo.com