

# Lean Supply Chain Professional Series

*with Robert Martichenko*

## **Please note**

- To hear the audio portion of the webinar you will need speakers or headphones.
- Please email [webinar@scl.gatech.edu](mailto:webinar@scl.gatech.edu) with any questions for the speakers.
- An archive of the webinar will be available at [http://dlive.gatech.edu/scli\\_lean\\_041212/](http://dlive.gatech.edu/scli_lean_041212/) by Tuesday, April 17<sup>th</sup>.
- This presentation in PDF format can be downloaded via <http://www.scl.gatech.edu/leanwebinarpdf>
- Please call 404-894-0612 for technical support.



**GEORGIA TECH**  
**Supply Chain & Logistics Institute**  
EDUCATION • INNOVATION • LEADERSHIP

# Lean Leadership

*with Robert Martichenko*



**GEORGIA TECH**  
**Supply Chain & Logistics Institute**  
EDUCATION • INNOVATION • LEADERSHIP



# The Lean Leader Paradox

Traditional Thinking	Lean Thinking
Push - Economies of Scale - Make the Numbers - Unit Cost	Pull - Make (move) only what the customer has ordered
Batch and Queue - Make (Order) and Move Big Batches	One Piece Flow - Move small batches and keep them moving
No standards or complicated standards hidden in a binder	Simple, visible standards for all critical processes for all to see
Move the product, let defects flow down the supply chain	Stop the process immediately - Deal with defects at root cause
Engineers solve problems and create the best way to do work	The people doing the work design it and solve the problems
Hire brilliant people to try to fix broken processes	Empower regular people to improve upon brilliant processes
Hide problems by throwing inventory and resources at them	Expose problems by reducing inventories and resource levels
Managers work in offices and manage with data and reports	Managers "go and see" and manage with data and facts
Execute fast and go on to the next "new" thing	Plan...Do...Check...Act....Get the <i>Right things Done Right</i>
A problem is an unclear opportunity ...it is optional to fix it	A problem is a deviation from the standard ...it must be fixed
The cause of a problem is people...we ask who ?	The cause of a problem is the process...we ask why ( 5 times ) ?
We become defensive if others suggest problems in our area	We are thankful others see what we do not see ourselves
The business is a collection of independent departments	The business is a system of inter-dependent processes
Focus on outputs and cost reduction	Focus on inputs and lead time reduction
If it aint broke don't fix it	It can always be improved

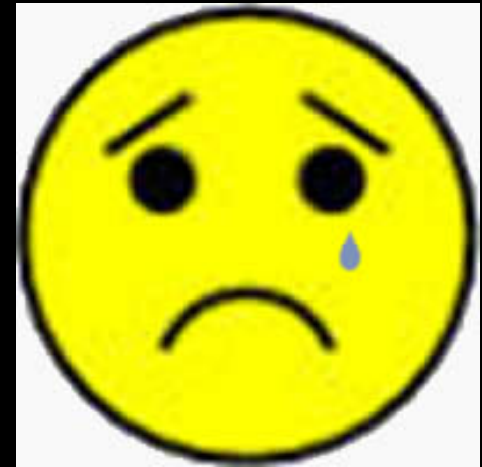


# PEOPLE

A leader's day-to-day guide  
to building, managing and  
sustaining lean organizations.

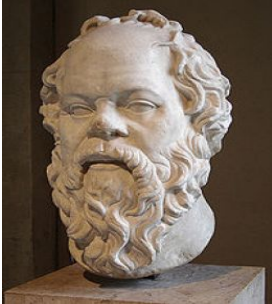


Steve Gran • Robert Martichenko • Walt Miller • Roger Pearce

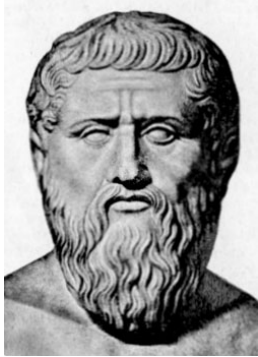


# Socrates – Plato – Aristotle

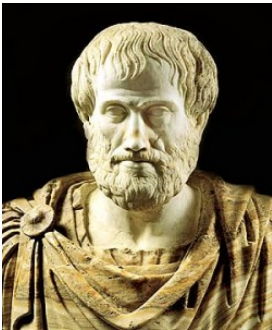
*Seem like pretty bright dudes ! 😊*



**“All men by nature desire knowledge”**



**“The only real wisdom is knowing you know nothing”**

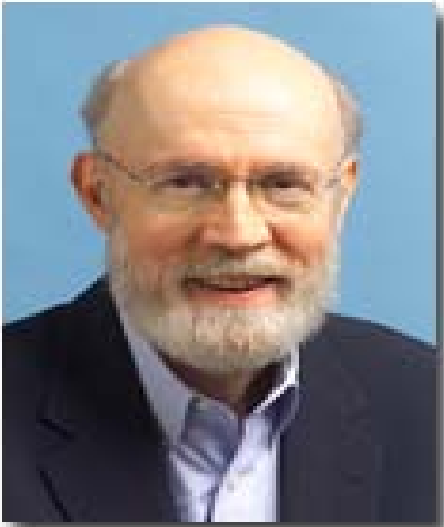


**“The more you learn the more you realize you don’t know”**

**“If you know but you don’t do, then you don’t really know”**



# **Thought Leaders of Lean**



**“ Purpose – People – Process “**

**Jim Womack**

**“What is the purpose ? ”**

# **Purposed Based Leadership**



**“The coach’s ( leaders) job is to take excuses away from the player – no travel problems, no equipment problems, no bad practices, no bad game plans – so that there is nowhere for the player to look but in the mirror.”**

**Barry Melrose**

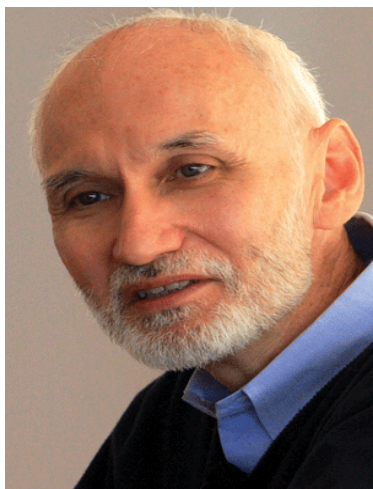
## **“What do you need?”**

# Lean Leader - Purpose

- *Create and deliver customer value at the lowest possible total cost*
- *Create flow through the entire value stream through cross functional collaboration*
- *Develop a problem-solving culture where problems are identified and fixed at the root cause*
- *Engages in relentless pursuit of continuous improvement*
- *Ensures that the company takes long-term view, yet is sensitive to the need for immediate actions and waste reduction*
- *Create the learning organization inside the company*



# **Thought Leaders of Lean**



**“There are three kinds of leaders. Those that tell you what to do. Those that allow you to do what you want. And Lean leaders that come down to the work and help you figure it out.”**

**John Shook**

**“How can I help?”**



# Lean Leader - People

- *Has the skills to effectively collaborate cross-functionally -- across the organization and the supply chain*
- *Encourages people to expose problems and stays with them to implement true solutions*
- *Empowers people to solve their own problems, through continuous coaching and dialogue*
- *Builds future lean managers and leaders*
- *Supports organizational learning*

# Thought Leaders of Lean



**"The problem is at the top; management is the problem."**

**"You have to manage the system, the system will not manage itself"**

**W.E. Deming**

**"What do you think happened ?**

# Lean Leader - Process

- ➔ *Understands how to articulate the implications of (systems impact) throughout entire value stream*
- ➔ *Goes to the Gemba (employ Go See Management) to understand and solve problems at the root cause*
- ➔ *Knows not to be complacent with current process*
- ➔ *Teaches fundamental problem solving (PDCA) to find problems, define them, fix them, and keep them from coming back*
- ➔ *Creates a formal, effective process for sharing best practices*

# Processes Want to Fall Apart

*In a system, a process that occurs will tend to increase the total entropy of the universe.*

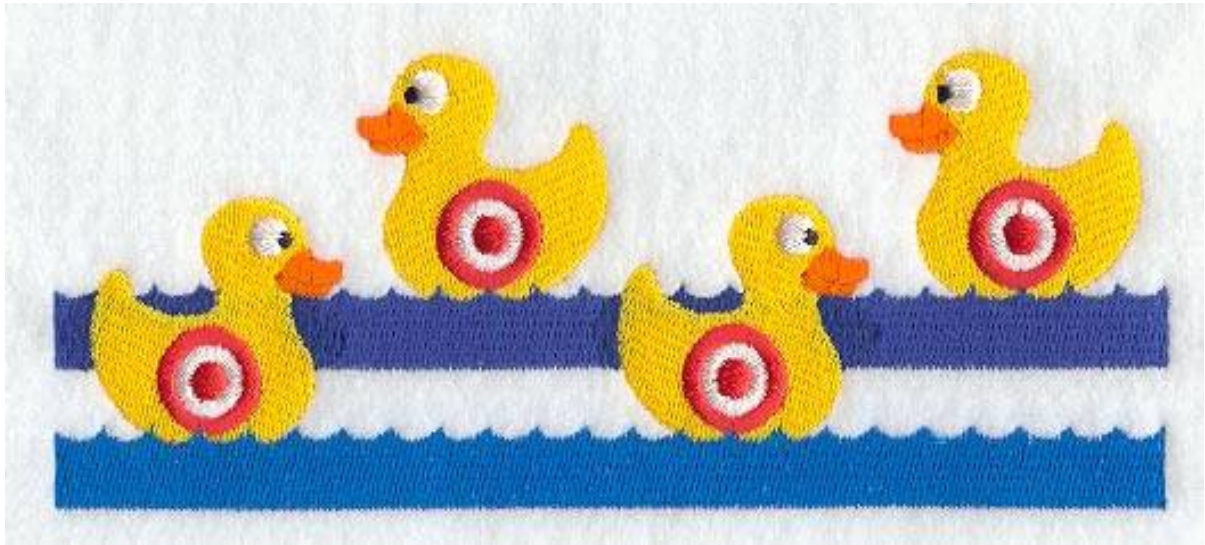
*Second law of thermodynamics*



## **Entropy**

- *A measure of the disorder or randomness in a closed system*
- *A measure of the loss of information in a transmitted message*
- *Inevitable and steady deterioration of a system or society*

# Lean Leader - Problem Solving



**Step 1: Expose problem A**

**Step 2: Knock problem A out at root cause**

**Step 3: Expose problem B identified by completing step 2**

**Step 4: See Step 1 – Substitute B for A , continue with (n+1)**

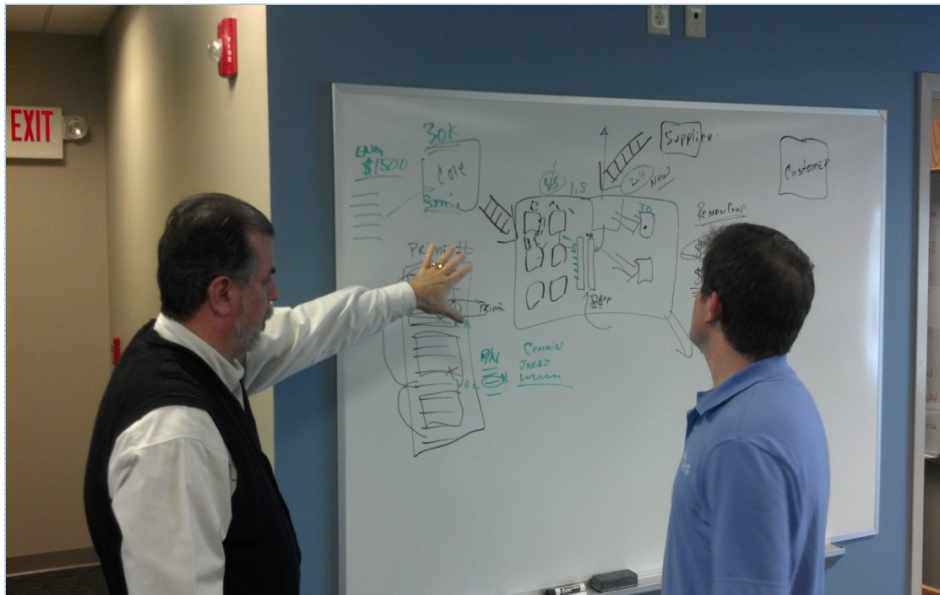


# Lean Leader - Leader as Teacher



**“When the student is ready, the teacher will appear”**

**Buddhist Proverb**



**“Tell me and I forget.  
Teach me and I  
remember. Involve  
me and I learn”**

***Benjamin Franklin***

# Lean Leader – As Smart as Socrates ?

*The Socratic method (or Method of Elenchus or Socratic Debate), named after the Classical Greek philosopher Socrates, is a form of inquiry and debate between individuals with opposing viewpoints based on asking and answering questions to stimulate critical thinking and to illuminate ideas.*



"Courage is what it takes to stand up and speak,  
Courage is also what it takes to sit down and  
listen."

Sir Winston Churchill

# Balancing Advocacy and Inquiry

## Advocacy

- *Advocating a point of view*
- *Stating and defending your opinion*
- *Act of pleading or arguing for something*

## Inquiry

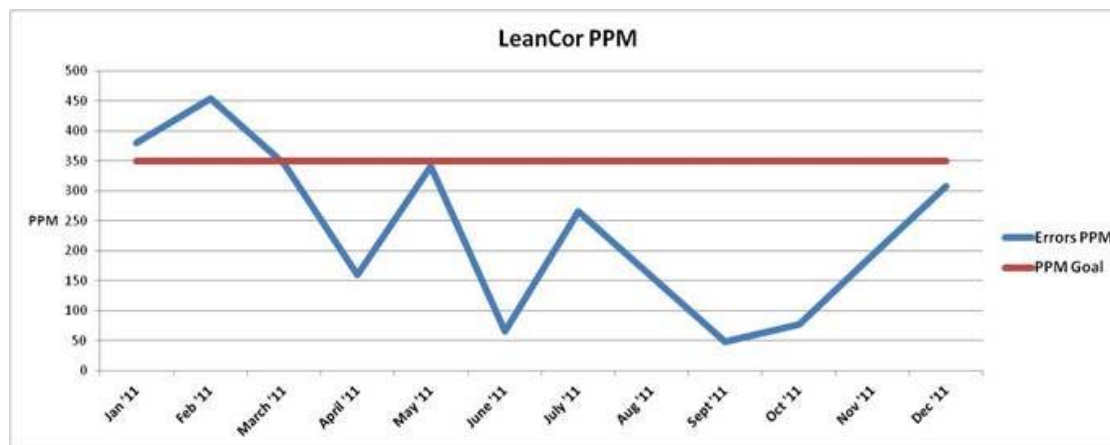
- *A process that has the aim of augmenting knowledge, resolving doubt, or solving a problem.*
- *Ask questions and listen Intently*
- *Seek to understand other points of view, withholding judgment.*





# Lean Leader - “Go See and Do”

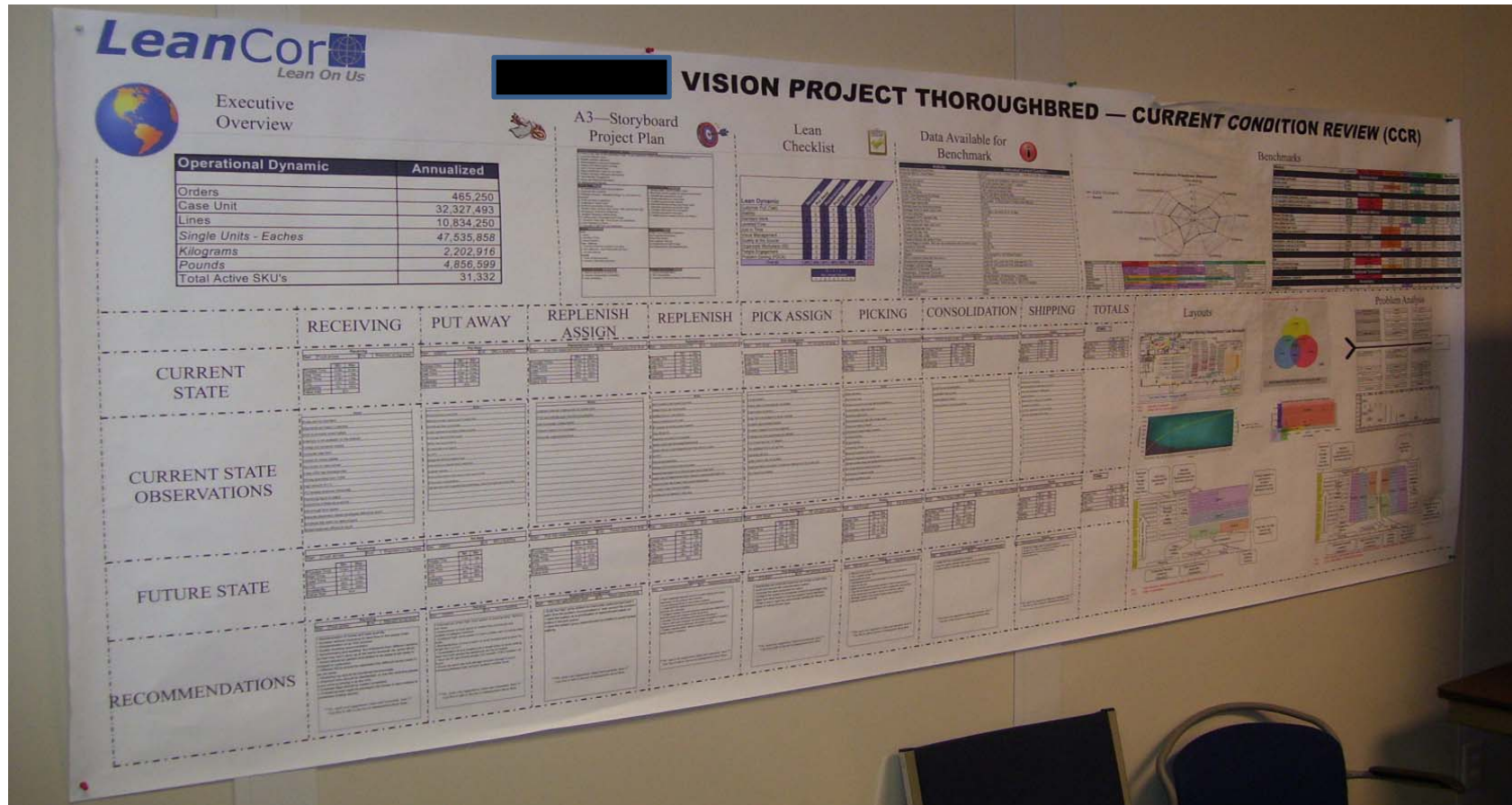
A man who carries a cat by the tail learns something he can learn in no other way.  
Mark Twain



©LeanCor 2008

# Lean Leader - Visual Management

- *To create a self explaining work environment.*



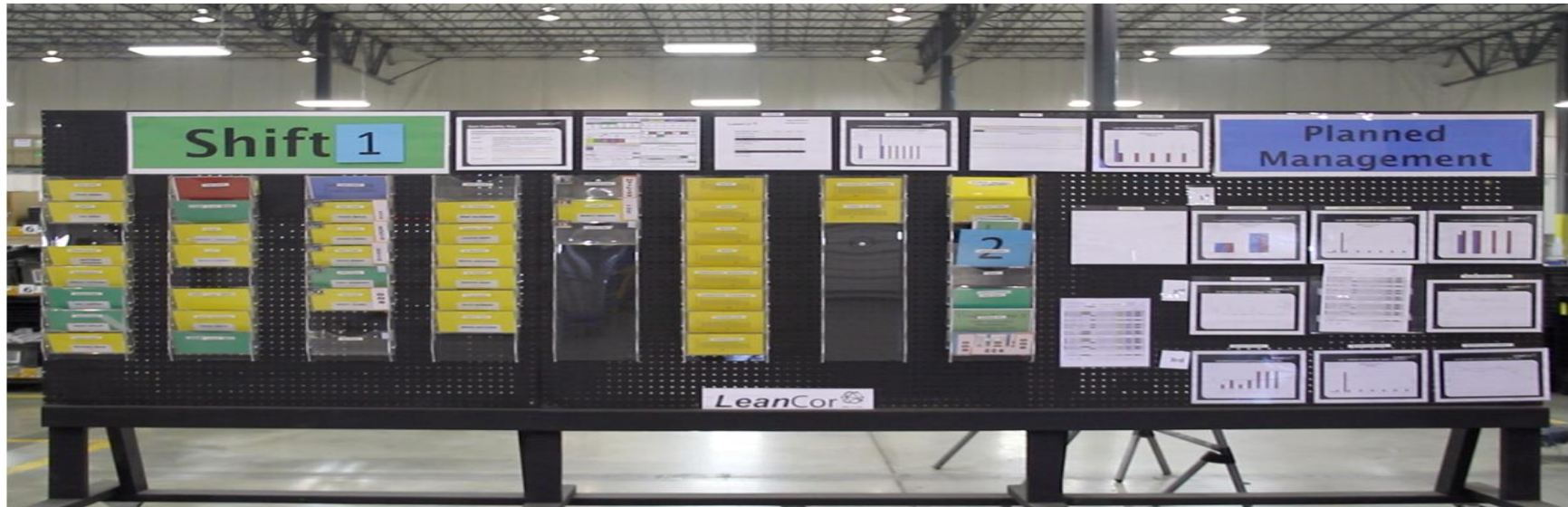


# Bring Lean to All Logistics Functions

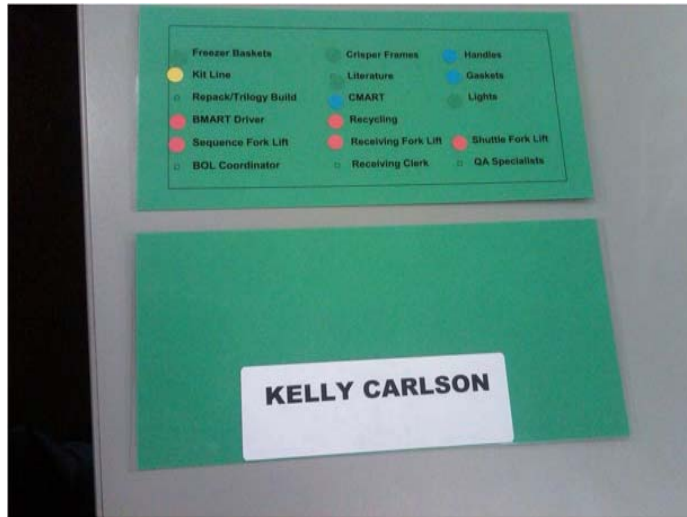




# Team Engagement and Visibility

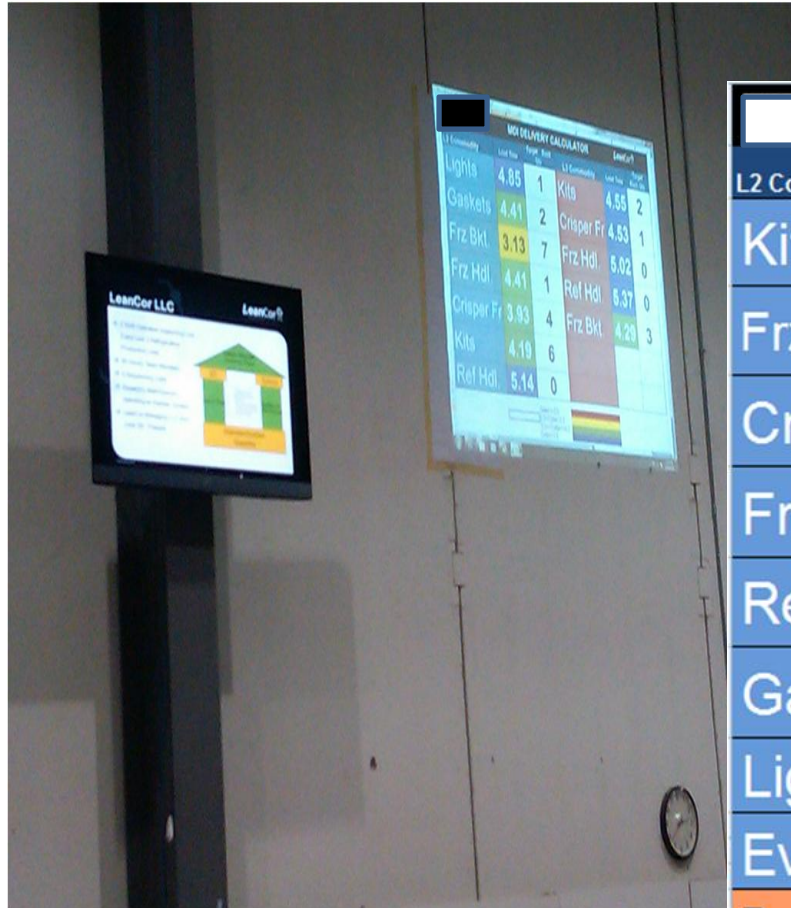


# Critical to Getting the Job Done



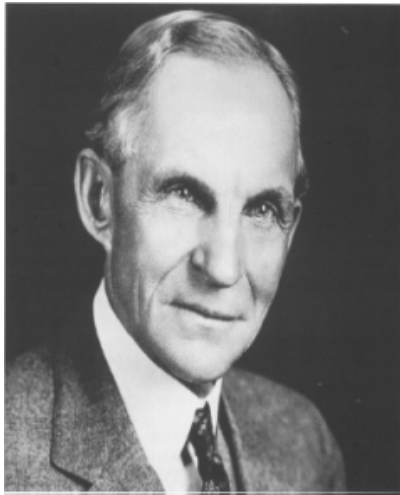


# Work to Takt – Stay Flexible Hour by Hour



MDI DELIVERY CALCULATOR						LeanCor
L2 Commodity	Lead Time	Target Rack Qty.	L3 Commodity	Lead Time	Target Rack Qty.	
Kits	4.23	8	Kits	4.25	4	
Frz Bkt.	4.31	3	Frz Bkt.	4.27	3	
Crisper Fr	4.25	4	Crisper F	4.22	2	
Frz Hdl.	4.48	1	Frz Hdl.	4.29	1	
Ref Hdl.	4.29	1	Ref Hdl.	4.51	1	
Gaskets	4.48	2	<b>10:05:18</b>			
Lights	4.98	1				
Evap	4.89	1				
Broadcasts	250					
<b>11:00</b>						

## **Don't Waste Your Time...and don't waste mine**



**“Time waste differs from material waste in that there can be no salvage. The hardest waste to correct is the waste of time, because wasted time does not litter the floor like wasted material...”**

**Henry Ford**



**Time is the coin of your life. It is the only coin you have, and only you can determine how it will be spent. Be careful lest you let other people spend it for you.**

**Carl Sandburg**

# Lean Supply Chain Professional Series

**Building the Lean Supply  
Chain Problem Solver**

March 13-15, 2012  
September 18-20, 2012

**Building the Lean Supply  
Chain Professional**

April 10-12, 2012  
October 16-18, 2012

**Building the Lean  
Supply Chain Leader**

May 15-17, 2012  
November 13-15, 2012



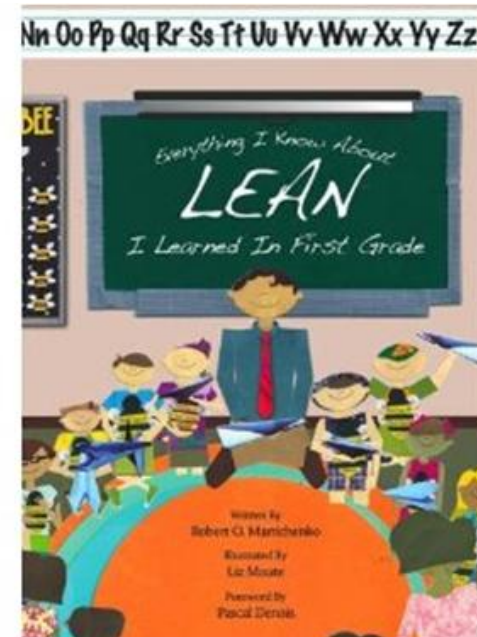
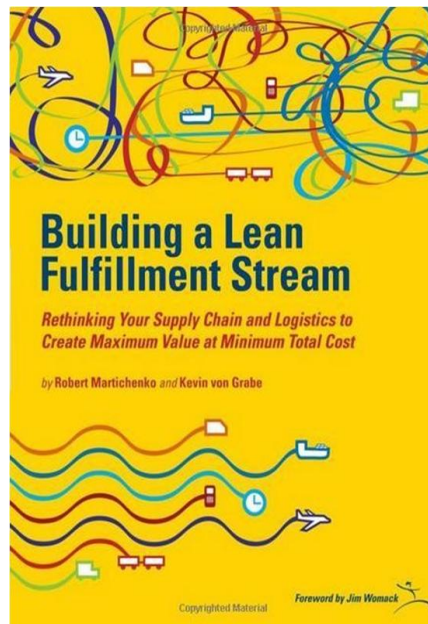
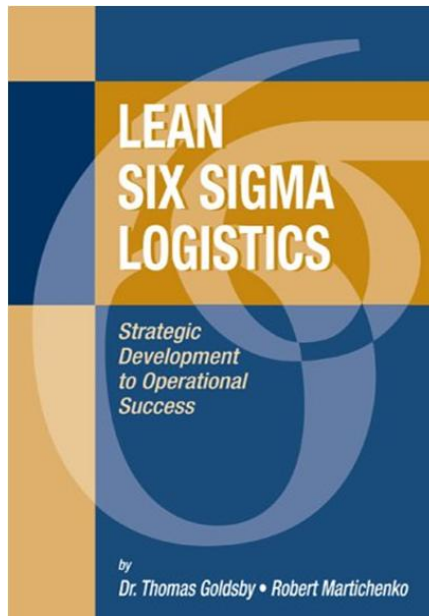
[www.scl.gatech.edu/LEAN](http://www.scl.gatech.edu/LEAN)



©LeanCor 2008

# Thank You for Your Time

## Robert@leancor.com



©LeanCor 2008