



WELCOME!!!

Introduction to Lean Government #PM130
Starting top of the hour.
You're muted. Please use the Question Panel.
Sorry, no tech support
Try: Closing apps and browsers, logging in and out,
changing browsers, or rebooting your computer.
GoToWebinar support site:
<http://support.citrixonline.com/GoToWebinar/>

 Certificate? pat@sieralearn.com
twitter hashtag: #LEANPM130
0

Introduction
To Lean Government #PM130
Steve Elliott, President
Constant Improvement Consulting, Inc.
with Pat Wagner, Siera: Learn. Teach. Inspire.™

 July 9, 2013-12:00 pm to 1:00 pm-Mtn Time
with Tim Sullard, Operations Manager
Pattern Research, Inc.
www.sieralearn.com
Twitter Hashtag: #LeanPM130

1

Welcome!

- Post your Do Not Disturb sign.
- Pop and butter your popcorn.
- Try out the Questions Panel.
- Materials Needed
 - Pen and paper
 - Post-It notes
 - Slide handout

2

Introducing Steve Elliott

- Manager, business owner, consultant, trainer, for 30+ years
- Worked in public, private, and nonprofit sectors
- Chief Deputy Treasurer in Boulder Cty, CO
- Helped make Colorado a Lean Government

3

Exercise #1: What Does This Meeting Cost?

Materials Needed

- Sticky notes
- Pen
- Your hourly wage
- Coworkers

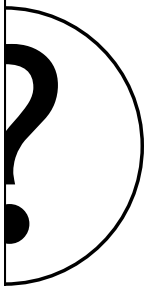
**Next time everyone
in the room is
“on the clock” ...**

4

Exercise #1: What Does This Meeting Cost?

1. Ask them to write down what they make per hour. (No names.)
2. Add up the numbers.
3. Announce the total.
4. Shred notes.

5



Exercise #1:
What Does This Meeting Cost?

If my customer
was in the room right now...

**Would they think
this meeting was
valuable?**

6

Agenda

What Is Lean?

Customer Value

The Eight Kinds Of Waste

Next Steps

7

The History of Lean

- Created by Toyota
 - Remains its guiding precept
- Originally introduced to manufacturing in the US
- Has migrated through health and services to government

8

What Is Lean?

*Lean is based
on two simple concepts:*

1. Improve customer value.
2. Reduce waste.

9

Improve Value

If the customer values
a service or product,
produce it.

If the customer does not value
a service or product,
stop.

10

Reduce Waste

waste Isn't just stuff you
throw away or recycle.
Deserves serious study
and scrutiny.


11

Lean is about

layoffs.

It's about using resources

efficiently.


Learn. Teach. Inspire.

12

Customer Value

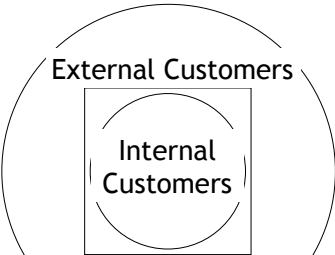
First step:

- Who are your customers?

Second step:


- What do your customers really value?

13



Can they be segmented?

14




Exercise #2:
Who Are Your Customers?

Materials Needed


- Paper
- Pen

1. List all of your internal and external customers.
2. List the products, reports, and services you create for each customer.

15





Lean
requires
change




16

The Eight Kinds Of *Muda* (Waste)

Unused resources	Defects
Waiting	Motion
Inventory	Overproduction
Transportation	Processing with no results



17





Unused Resources

Hard to see because they've always been there

Examples


- Material, equipment, or facilities you already have may be repurposed
- People with talents you aren't using



18



Waiting



19



Waiting



- Monopolies allow you to treat customers as hostages.
- Waiting creates more work.

“Where’s my stuff?”

20



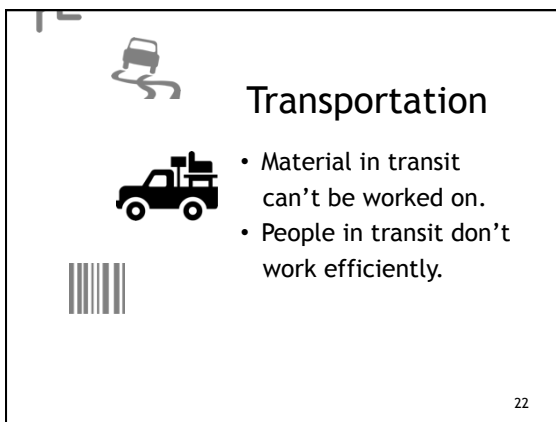
Inventory

Stop buying stuff

on sale
just in case
because Costco only sells by case

Inventory on hand costs you money.

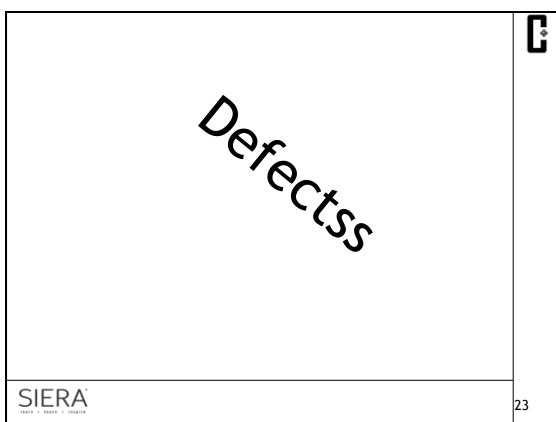
21



Transportation

- Material in transit can't be worked on.
- People in transit don't work efficiently.




22



Defectss

SIERA
Learn • Teach • Inspire

23






Defects

- Early detection reduces cost of repair.
- Mistake proofing a process is best.
- Identifying mistakes can be culture change.

Start rewarding people who point out mistakes.


24




Motion

- Any motion that doesn't add value to a product or service is *Muda*.




25



Overproduction Overproduction Overproduction Overproduction Overproduction






26



Overproduction

- Don't produce more than the customer wants or is willing to pay for.

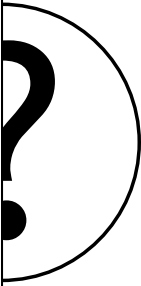
27



Processing with no results

- Make it expensive.
 - Charge for waste when you buy a product.
 - Charge to haul waste away.
- Six approval signatures on a form don't make it any better.

28



Next Steps: Find Out More About Your Customers

Materials Needed

- List from Exercise #2

For each customer:

1. How do you interact?
2. Special considerations?
3. Describe patterns.

29

Resources

The Change Agent's Guide
to Radical Improvement (Ken Miller)

Good to Great (Jim Collins)

Lean for Dummies
(Natalie J. Sayer and Bruce Williams)

See *Lean Thinking Reading List*:
www.sieralearn.com/introduction-to-lean-government-reading-list/

30

The Lean Series

Individual, group, and series prices contact: pat@sieralearn.com.

- Tues, Jul 9, 2013: Intro to Lean Government #PM130
 - Tues, Sep 10, 2013: Defining Customer Value #PM131
 - Tues, Oct 8, 2013: Learning to See Waste #PM132
 - Tues, Nov 5, 2013: The Value Stream #PM133
 - Tues, Dec 3, 2013: Change for the Better #PM134
 - Tues, Jan 7, 2014: Tools of the Trade #PM135
 - Tues, Feb 4, 2014: The Change Agent #PM136
 - Tues, Mar 4, 2014: Embracing Resistance #PM137
 - Tues, Apr 1, 2014: Lean Leadership #PM138
 - Tues, Apr 29, 2014: The Totally Lean Organization #PM139
- Registration opens August 5, 2013.

31

For More Information

Constant Improvement Consulting, Inc.
Steve Elliott, President
constantimprovementinc.com
303-775-5881
steve@constantimprovementinc.com

Siera: Learn. Teach. Inspire.™
sieralearn.com
303-778-0880
pat@sieralearn.com

32

Credits

Slide Number	Image Attribution
3	macaron*macaron 2006. Licensed under CC BY 2.0. http://www.flickr.com/photos/lonelycamera/226967856
3	Ginny 2008. Licensed under CC BY 2.0. http://www.flickr.com/photos/ginnerobot/3098219447
3	Petras Gagilas 2009. Licensed under CC BY 2.0. http://www.flickr.com/photos/gagilas/3710480555
12	New York Public Library 1923. No copyright restrictions. http://www.flickr.com/photos/nyppl/3116117236
17	Bogdan Suditu 2008. Licensed under CC BY 2.0. http://www.flickr.com/photos/bogdansuditu/2607404802
24	Smithsonian Institution 1938. No copyright restrictions. http://www.flickr.com/photos/smithsonian/2551232980

33

Credits

Slide Number	Image Attribution
Waiting	Lemon Liu, from The Noun Project http://thenounproject.com/noun/waiting-room/#icon-No8158
Moving Material	Luis Prado, from The Noun Project http://thenounproject.com/noun/moving-truck/#icon-No11428
Moving People	Jakob Vogel, from The Noun Project http://thenounproject.com/noun/running/#icon-No2377
Inventory	Muneer A. Safah, from The Noun Project http://thenounproject.com/noun/barcode/#icon-No10281
Wasted Material	Alex Quinto, from The Noun Project http://thenounproject.com/noun/trash-can/#icon-No11488

34