

# Lean Enterprise Division

## April 2015 Highlights

- 2 Letter From the (Guest) Editor
- 2 Upcoming Webinars
- 4 Lean Government International
- 7 T<sup>3</sup> – Tools, Tips, and Techniques:  
Employing the Kano Model
- 9 Lean Bytes
- 11 “Leaning Forward” in King County
- 14 Learning From the Experience of ...  
Simon Sinek

## Chair’s Message

Nearly 12 years ago, a handful of forward-thinking and committed individuals decided to organize a group of lean professionals. This group knew that building a community of experts required tapping into consultants, authorities, students, sponsors, and practitioners. This extraordinary effort, made by our founders, eventually became known as the ASQ Lean Enterprise Division (LED).



At the 15<sup>th</sup> Annual ASQ Lean and Six Sigma Conference held in Phoenix, AZ, this March, ASQ LED was able to demonstrate that a small group, with a big vision, can accomplish anything!

The conference was represented by 44 states throughout the United States as well as the District of Columbia and the U.S. Virgin Islands. In addition, delegates from 15 different countries including Austria, Belgium, Canada, China, Egypt, India, Indonesia, Jamaica, Japan, Lebanon, Mexico, Nigeria, Saudi Arabia, Sri Lanka, and the United Kingdom attended. People from all over the globe were eager to participate, contribute, and learn about lean and Six Sigma.

As LED moves forward as a dynamic technical community, we will continue to increase our impact by partnering with like-minded associations. We hope to more fully embrace digital and social communities and form stronger international alliances. We are actively developing initiatives that should increase attendance with our younger professionals and students. As a member of LED you have the opportunity to be part of a new exciting future. Our broad educational programs are meant to support life-long learning. Our initiatives are already being noticed and will only help enhance your membership.

If you are attending the 2015 World Conference on Quality and Improvement in Nashville, TN, please stop by our booth. We have great door prizes and fun activities planned for our members. I look forward to meeting you personally. If you are not planning to attend this year, be aware of all the ways you can participate in our organization as a volunteer or leader.

### Terra Vanzant Stern

2015–2016 Lean Enterprise Division Chair

### About Lean Enterprise Division Chair

**Terra Vanzant Stern**, Ph.D., PMP, SPHR/GPHR, is a Six Sigma Master Black Belt who has studied in the United States and Australia. She is the author of *HR Concepts for Project Managers*, *Lean Six Sigma Practical Bodies of Knowledge*, and *Lean Six Sigma: International Standards and Global Guidelines*. Her next book, *Lean & Agile Project Management*, will be published in June 2015. Vanzant Stern served as ASQ Denver Section chair and co-chaired the 2013 ASQ Rocky Mountain Quality Conference. She is currently the president and owner of SSD Global Solutions, a firm dedicated to increasing critical thinking skills by using basic project management practices, lean thinking, and Six Sigma methodology.



Lean Enterprise  
Division

The Global Voice of Quality™

# “Leaning Forward” in King County

## In Brief

*What might a rock music-loving liberal democrat and affluent conservative former republican have in common politically? A passion for lean and what benefits it can bring to the residents of King County (Seattle), Washington. Read on to learn about the strategies, successes, and stumbles encountered during a five-year (to date) lean journey undertaken by the King County, Washington, government.*

A recent trend reported on both National Public Radio (NPR) and in *The New York Times* (NYT) shows previously unlikely pairings of conservative and liberal groups being able to put aside hot-button issues and work together to address issues of import to all constituencies within their community. Five years ago a similar scenario played out in King County, WA. King County executive Dow Constantine and his deputy Fred Jarrett are an unlikely political pair. Constantine is a liberal Seattle democrat and rock fan, while Jarrett is a former republican and retired Boeing manager from Mercer Island (one of Seattle’s “high rent” districts). What brought them together in 2009 was a desire to make things better for the citizens of King County and the belief that lean was the best way to do it. The two men ran against each other in the 2009 Executive Primary; then when Constantine won the final election that November, he reached out to former rival Jarrett to join his team.

Expected severe budget cuts and resulting reduction in essential service, plus possible layoffs, prompted not just a willingness but a push to try something new and different to address countywide problems. That “something new” was lean, the more than 60-year-old continuous improvement system formerly known as the Toyota Production System. This system was developed by Toyota in the 1950s as a way to reduce waste, shorten cycle time, and thereby improve quality. Many different programs were considered for implementation, but with a proven track record of more than 60 years, plus Jarrett’s familiarity of the potency of the program through his employment at Boeing, lean implementation was finally

arrived at as the most likely effective solution for county problems. With its successful reputation and lack of need for costly investment in infrastructure to get started, lean was a natural fit for a struggling county in a country still in the midst of the Great Recession. After all, who wouldn’t want to do more with less, in a shorter period of time, and at lower costs? The question was, though, could lean live up to its reputation?

King County’s lean implementation plan embraces cross-functional engagement as a means for “lean continuous improvement to improve service to customers, develop employees, and help address the gap between expenditures and revenues. The county needs more capacity to produce as much public value as possible with constrained resources.”

2011 experimentation with kaizen events facilitated by consultants loaned from Boeing provided successful results and generated support to establish in 2012 a four-person King County Continuous Improvement Team (CIT). The team consisted of a director, two experienced lean practitioners/coaches, and a program coordinator. The new team was located within the Office of Performance, Strategy and Budget.

According to CIT director Jim Chrisinger, much of the lean tool kit was used during the successful deployment with the most commonly used tools and methods being “kaizen events, visual management, process walks, standard work, A3 thinking, rounding, value stream mapping, 5S, and small-scale front-line improvement.”

## Some Significant Achievements ...

- More than \$12 million tied up in inventory made vehicle maintenance in the metro transit system a prime target for a lean initiative. A four-day kaizen event kicked off an ongoing lean improvement project. That first event tested several new inventory management approaches, resulting in a 40 percent reduction in inventory at Ryerson Transit Base, one of eight transit bases in the system, in the first six months. Lean learnings and the culture of improvement are spreading systemwide; in a little more than one year, the work has brought the inventory dollar value down nearly 20 percent across all transit bases. According to chief of materials Rocky Brannan, in addition to the learning curve in applying the tools, there was also some initial inertia to get over caused by “skepticism from people who have been through improvement efforts before without success.” Added CIT lean specialist Lauri Owen, the diversity of work performed on a variety of equipment often made the work “more craftsman like,” which added its own unique challenges. The image, below, shows a 5S workshop that was part of the effort.



5S workshop

- A3 problem solving was used to deliver more health services to county residents, despite budget cuts and increased demand for services. Selective creation of standard work in community health services was a contributing factor to this success. Successes and insights garnered at any one community health site were shared

*cont. on p. 12*

across 10 sites, providing an effective internal benchmarking system. According to Michelle Pennylegion, the shift in focus to “seeking deep understanding of two to three key metrics” led to the “use of data in new and creative ways.” Forums for sharing knowledge among the same disciplines from different sites helped build excitement.

- Director Ken Guy and deputy director Carole Basile worked with CIT lean specialist Jay McNally and lean consultant Tracy O’Rourke of Integris Performance Advisors to successfully overcome an organizational structure within the finance and business operations division (FBOD) where “people and budgets ran vertically, whereas processes ran horizontally.” By breaking through silos within their own division, as well as between their division and others, more efficient operations and better costing were achieved. Important to this success was the fact that all employees received some level of lean training so that they could better understand this new way of doing things and become engaged.



FBOD process map

Based on previous success and the need to expand the program to meet demand, the original four-person team has now grown to 12, and the focus has shifted from kaizen events and point improvements to a more thorough approach that encompasses countywide strategy deployment, department level operational transformation, and daily management in the gemba (as shown in Figure 1).

**Lessons Learned**

- Adequate preparation for success. At times, after successful completion of projects, requests for CIT support far exceeded available resources and stalling momentum.
- The importance of soft skills, i.e., creating an environment where employees feel respected, empowered, and are encouraged to “fail forward.” This environment positively impacted both management and front-line employees. According to Sarah Hopkins,
- Training management on how to have “crucial conversations” lessened the sting of spotting weaknesses that need to be addressed in a particular area. This is an often overlooked but important soft skill, as Carole Basile, deputy director of FBOD stated, “You don’t go into accounting because you like having difficult conversations.”

“the principle-based nature of the training, especially respect for the individual, resonated with county employees.” Says Rocky Brannan, transit vehicle maintenance chief of materials, “Embracing lean philosophy has allowed managers to listen to and interact with staff in a way that they might not have been able to in the past.”

**Figure 1 – King County’s Implementation Plan**



- Per King County deputy executive Fred Jarrett, “While not a surprise, the insight coming from the last four or five years’ experience at King County has been cycle time. Building support through the legislative process during a very fiscally challenging time is slow and reduces the organization’s capacity to learn new behaviors. That means we self-teach rather than importing consultants. Slower, but owned and with a higher likelihood, Deming’s constancy of purpose in a sector with consistent leadership churn.”

**Keeping Momentum**

Lean training provided department supervisors and managers to develop lean project implementation capability within different functional areas. King County employees can

*cont. on p. 13*



## “Leaning Forward” in King County cont. from p. 12

subscribe to the gembagram, a monthly e-blast as shown in image at right, sharing lean news from the county and around the world. Another innovative program supporting lean implementation is the A3 Fair (see image at right), launched in FBOD in 2014, which provides examples of successfully completed A3s and teaches attendees how to use the tool regardless of functional group within the county. Other activities also regularly take place such as a lean book club, lunch-and-learn activities, and agency-to-agency lean tours.

### Next Steps

- Expanded lean leader training will continue to develop lean project implementation capability within diverse county functional areas.
- CIT will continue to look for new opportunities to apply lean tools and methods to continue to drive improvement.

### A bit of advice from King County deputy executive Fred Jarrett for other government organizations considering lean implementation.

“Implementing continuous improvement in the public sector is different in many ways from the private sector. Markets provide clear information regarding product success or failure, and P&Ls keep a focus on product delivery.

“Public organizations typically have no analogous measures. Budgets typically focus on spending and, to the extent success is measured, outcome metrics tend not to be robust or systemic. Consequently, implementing lean can result in local improvements, which can’t be strategic (investing in the right places) or benefit the public served (benefits are internally focused not externally focused).

“For lean to provide benefits in the public sector analogous to private firms, public organizations must measure QCDSM [quality, cost, delivery, safety, morale] and measure the success of their policy initiatives.”

### Conclusion

The core elements leading to success of lean implementation in King County are respect for the individual, leadership support, and engagement, adequate allocation of resources, as well as employees feeling confident enough to feel free to “fail forward” while doing experimentation in search of improvement. I would like to thank the following individuals for taking time out of their busy (and productive) schedules to allow me to interview them and for providing information on lean activities in King County.

- **Carole Basile**, Deputy Director Finance and Business Operations Division
- **Jay McNally**, CIT Lean Specialist
- **Tracy O’Rourke**, External Lean Consultant with Integris Performance Advisors
- **Michelle Pennylegion**, Regional Health Administrator, Community Health Services
- **Sarah Hopkins**, Acting Regional Health Administrator, Community Health Services
- **Rocky Brannan**, Chief of Materials Management, Metro Transit Vehicle Maintenance
- **Lauri Owen**, CIT Lean Specialist
- **Will Wilson**, CIT Communications and Coordination
- **Fred Jarret**, King County Deputy Executive

For more information on lean in King County contact [lean@kingcounty.gov](mailto:lean@kingcounty.gov).



Gembagram



A3 fair