



# Lean Creates a Culture of Success That Benefits Our Team and Customers

Part two of a three-part series on the business benefits of Lean.

By Bob Oborn

*In the first of this three-part series, I shared with you the background story about how Kent Elastomer Products (KEP) struggled to commit to adopting a Lean culture in our three manufacturing, extrusion and assembly locations in northeast Ohio.*

I'm not sure where KEP would be today if we hadn't adopted Lean Manufacturing practices, eliminating waste and practicing continuous improvement.

I say this because I have witnessed suppliers who, for many reasons, were unwilling or unable to adopt processes that made them more efficient. They lost business. Laid off lots of people. Even went out of business.

At that time (2006) KEP was challenged to contain costs and keep processes organized. I'd read about Lean Manufacturing in trade publications. With the encouragement of KEP's then-president Murray Van Epp, I attended a 3-day seminar in Michigan that included tours of pristine factories that made my jaw drop. Everything was in place. It looked so *efficient*. I thought, *if this is Lean, then I can't wait to get started. This is exactly what KEP needs.*

I found a Lean program at The University of Akron, and a great mentor in Brian Furlong. Our entire management, made up of 30 people from supervisors to executives, received Lean certification. They then led 2-hour introductory sessions to their reports so that their teams were trained in Lean. Now, Lean is crucial to our everyday culture and changed the way KEP does business.

Everyone - and I mean every single employee on the org chart at KEP - takes *continuous improvement* seriously. We are always looking for opportunities to increase efficiency, reduce waste and maximize potential.

## Lean Changed KEP in Positive and Profitable Ways

Yes, it's a cultural change, not just decluttering. It's a philosophy that puts good ideas before ego. It optimizes our time and resources. It improves management skills. It conserves our workers' energy so that they can do a great job and still have energy to go home and enjoy family life.

Lean isn't just about warehouses and manufacturing - even though that's our business and the first projects we tackled were solving clutter and process problems. Next, we reduced assembly labor by 25% in one process. Then we turned our maintenance area from a pile of clutter to a showcase of organization. Our president at the time was pleased, but he had no idea that Lean would also invade the office spaces.



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Looking beyond our warehouses and manufacturing, we took a closer look at how we processed orders and invoicing. We found that Lean practices can positively impact our non-operations staff and procedures, too.

Under the Lean magnifying glass, using the methods we learned in our operations facilities, we found that our order entry staff practiced some loose and ragged methods. They hunted down order entry information from several different places. We analyzed it. Broke it down. Then addressed the problem with concrete step-by-step solutions. The result? We collapsed our order entry process time from eight to four hours.

In another example, we took a hard look invoicing and discovered that our Sales and Accounts Receivable teams both acted as points of contact with customers – sometimes with confusing and conflicting results. By taking the time to assess and correct this, KEP created one seamless point of entry for our customers. This resulted in three major improvements:

- **Eliminated unnecessary, redundant calls and emails back and forth**
- **Sped up bill paying**
- **Allowed KEP to proceed with production faster – shortening timelines**

How did Lean training lead to astounding improvements and efficiencies that boosted morale and made us a much better business partner to our customers? One word – Kaizen.

### **What's a Kaizen?**

Kaizen is the Japanese word for “improvement.” Our Kaizens are events that examine possible improvements to current processes. The length of time necessary for the event is dependent on the complexity of the process. We follow our mentor Brian Furlong’s advice to not let Kaizen events go past five days and to be sure that the results (improvements) are presented to management on the last day of the event.

Each Kaizen team is made up of at least one person who is familiar with the process under examination, along with 4 or 5 others – based upon how many are needed. It is essential that half of the participants are from other departments to provide a different perspective. Aligning these different standpoints brings in a fresh, new look at the process. The team is given a budget and over the next 3-5 days, they:

- **Map out the process as it is**
- **Discover the inefficiencies**
- **Create solutions to the process that eliminates the inefficiency**
- **Put the solution into action with visible, measurable results**



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Kaizen teams eat together. Think together. Everyone gets a t-shirt – providing even more of a team feel. On the final day, management attends to observe, affirm and celebrate the accomplishment.

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## All of this translates into better products and service for our customers.

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In that five days, they experience the shared teamwork of discovery, solving problems and achieving results – usually *under budget*. Best of all – they *own* the improvement. Without the intrusion of salaried management looking over their shoulders, they show us their mettle and fulfill more of their potential. This is a benefit to our employees, teams and culture that last a lot longer than the five days' project. Plus, all of this translates into better products and service for our customers.

It's bigger than a break from everyday work. It's a cultural change that leads to participating in improvements our team can see – and take credit for – every day.

By 2018, we have completed more than 750 Lean events. This is an impressive history of accomplishment that continually improves KEP products and processes. We invite any prospect or customer to come see the results. Based upon how inspired I was seeing pristine factories during my very first Lean seminar – *seeing is believing!*

However, not every Kaizen results in some miraculous, award-winning workplace transformation. The point of Lean is continuous incremental improvement, which keeps everyone focused on the opportunity to discover a better way to work and deliver for our customers.

### Lean Empowers Our Team

All KEP employees know that if they see an opportunity for improvement, they are encouraged to ask their supervisor for what they need. They might need four hours and the help of another employee or two. Typically, they get it – often as soon as the next day. Best of all, KEP employees know their voices are valued and they become real stakeholders in their work. That not only boosts morale. It empowers employees for advancement.

One way KEP encourages our employees to be more observant is our **Stand-in-a-Circle** exercise. I bought a circular rug with a fun, colorful design at a department store. That rug is placed in a specific spot in a work area with a clear view of the surroundings. Our Stand-in-a-Circle employee uses that spot as a focal point. For thirty minutes, they observe in stillness, seeing things they would normally walk by. The participating KEP team members then create a simple report on those observations that also includes recommended improvements: Make it safer; eliminate waste; work more efficiently, etc. Then, in the next thirty minutes, they choose one of the solutions and execute it.

This does more than just solve one problem. **It changes the employee.** He or she becomes a better observer. They know that the company encourages them to act on any possible improvements they see. This empowers employees and makes them stakeholders. Like the time an employee noticed



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an unorganized mix of buckets by a sink. In the past, he would have walked on by. But he knew that KEP's passion for Lean improvements welcomed his input. So he asked for a few hours to clean up and organize the spot. And he did. We call that a **micro-Kaizen**. It didn't require a team or take a week - just a few hours to *turn the talk into a walk*.

What's also cool about all this is that while the employee standing in a circle is participating in the improvement process, everyone else gets to see it happening. This Lean practice has become a common, recognizable site in all of KEP's three buildings - and that itself goes a long way in reminding our employees that we are committed to continuous improvement.

## Lean Liberates Management

During Kaizens, status is de-emphasized so that all employees freely participate. To quote Brian Furlong, "Lean requires leadership, not management." Ego can get in the way - I'm the first to admit it. One time, I was in a meeting examining a long-established process. I questioned who came up with this idiotic idea in the first place - then I realized - it was me!

No Kaizen participant is more important than the other. This empowers every participant to voice their insights and be credited with developing solutions. KEP employees at all levels feel ownership.

## Lean Stimulates Careers

KEP means employees stay sharp because continuous improvement is instilled in our culture. Participants in our Kaizens, Micro-Kaizens and Stand-in-a-Circle events are given opportunities to make a difference. KEP puts a high premium on internal promotion. Lean events help us see our team thinking outside of the box, responding with new ideas and discovering talents. Often, they are promoted.

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## Lean Improves Company Culture

KEP company culture also benefits from the Kaizen experience. Teams of employees who work in different departments and buildings that are many miles away from each other get a chance to work together, become friends, understand each other's jobs better, and contribute to the company in ways they never imagined.

Lean not only refreshes the product or process, it breathes new life into the employee experience, opens communication lines, creates new friendships. It even resulted in one very unusual perk: During one Kaizen, two employees who worked in different facilities met for the first time. They became friends, dated and got married!



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Overall, KEP's Lean culture teaches us to stop and look in ways that many companies discourage. This empowers employees and that frightens some business leaders. I often think of KEP's now-retired president, Murray Van Epp, who empowered *me* when he encouraged me to pursue my exploration of Lean. As I learned about Lean and established it at KEP, he understood the philosophy - and its challenges.

"There is a constant battle between achieving short-term results and keeping the journey toward long-term goals," Murray told me. "Lean is a marathon, not a sprint."

When I speak to leadership groups, I tell them that the Lean philosophy will not take hold at their companies unless it starts from the top. Murray is living proof of that. Because of him, Lean is deeply-rooted in KEP's culture.

**Next in this 3-part series**, you will learn how KEP's continuous improvement activities have influenced our position in the community, the industry and how it has become our best weapon against the wild fluctuations of global economic conditions.

