Growing a Lean Community

The Jefferson County WA Lean Journey

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Toland Home Garden Daily Huddle Board

2017 Mid-Atlantic Lean Conference
November 14-15, 2017
Jefferson County Profile

A small population, mostly rural and older aged but talent rich county

2015 Population

30,466
$\$  Jefferson County Economy

Employers (approx)

1000 businesses
50 non profits
20 public agencies

Nine business clusters
• Arts & culture
• Education
• Small business & entrepreneur
• Food & farm
• Healthcare
• Marine trades
• Real estate & construction
• Tourism & retail

Income

• Median household income - $47,202
• Per capital income - $28,607
• 3 in 10 residents are “working poor”

Mostly small employers with lower salaries
Kotter’s 8 Step Process for Leading Change

• The leading principles of change management
• Based upon decades of research in corporations
• Steps on next slide

Question – Does the Kotter process apply to community change management?

Kotter’s 8 Steps

1. Establish a sense of urgency
2. Form a powerful guiding coalition
3. Create a vision
4. Communicate the vision
5. Empower others to act on the vision
6. Plan for and create short term wins
7. Consolidate and produce more change
8. Institutionalize new approaches

1 Sense of Urgency

• Weak economic base
• Need for family supporting jobs to attract and retain younger population
• Sub optimized “silo” and “us-them” thinking

Growing sense that community needs a better way of working together to prosper in the future.
A Guiding Coalition Emerged from 2012 Workshop

- Countywide organizations lead the coalition
  - The Chamber of Jefferson County
  - EDC Team Jefferson
  - Jefferson County Community Foundation
  - Jefferson Healthcare

- Volunteer subject matter experts
  - Earl Murman, MIT Emeritus
  - John Nowak, Jefferson Healthcare
  - Jay Bakst, Lean Coach

- Participants hand picked to initialize coalition
Create a Vision

Our Vision – A Lean Thinking community
County enterprises in every sector – business, education, public services, non-profits – embrace Lean Thinking principles to improve productivity, provide excellent customer service and employee satisfaction, and stimulate economic development.

Our Strategy – Grow organically
Through collaborative partnerships, organically grow awareness, competency and implementation of Lean Thinking principles, practices and tools throughout Jefferson County.
Empower Others by Removing Roadblocks

• We are not the CEO who can grant authority

• Enabling in a community context is to lower the bar that an organization needs to jump over in order to proceed on their lean journey, and then pull them in.
Empower Others with Training Opportunities

- Lean Thinking class - 13 hours over 7 weeks
- ½ day workshops led by Gates Foundation staff
- Lean Academy offered by State Auditor’s office
- 1.5 hour workshops
- Gemba walks at companies with long lean traditions
- Examples from different sectors
  - Manufacturing, service, government, non-profit, agriculture
Lean Thinking Class
(Our foundation)

Concepts
- 3 Actuals (going to Gemba)
- 5 Principles of Lean Thinking
- 8 Wastes
- Bottlenecks
- Continuous Improvement
- Implementation practices
- PDSA
- Push vs. pull
- Respect for People
- Root cause analysis
- Single piece flow
- Standardizing work
- Value stream

Tools
- 5 Whys
- 5/6 S
- A3
- DMS & daily huddles
- Fishbone diagram
- Kanban
- Process mapping
- Value Stream Mapping
- Visual management
Active Learning

Just-Do-It

Plant Tours

Visual Communication

Push vs. Pull

Photos by Earl Murman
Short Term Win: Public Agency
Jefferson County Library Profile

Mission: Provide all residents of the District with free & equal access to the diversity of publicly available ideas & information

- Rural Library District
- 16.2 FTE staff
- Avg. 500 visitors/day

Services: Books, CDs, DVDS, e-books, bookmobile, databases, programs, meetings rooms, computers, small business tools, and more
JCL Class Experience

• May 2015 Gates Foundation workshop
• Management team took Spring 2016 class
• During the class, JCL
  – Applied 6S to storeroom
  – Started daily huddles
  – Mapped forms process
  – Developed A3 for how staff should notify library if they will miss work due to illness

Photos courtesy of Jefferson County Library

BEFORE

AFTER

Photo by Earll Murman
JCL Lean Journey

• Morning huddles keep staff informed, connected, interested
• Processing time for new materials reduced by 50%
• Quick Fix path for book repairs handles 75% of volume in 2-3 days compared to 2 weeks
• Last 3 months: Electronic capture of morning huddle notes

“We talk about improving efficiency, not lean”
Short Term Win: Non Profit

Discovery Behavioral Healthcare

An independent, non-profit resource for Children - Adolescents - Adults - Seniors

884 W. Park Ave. | Port Townsend | 360-385-0321
www.discoverybh.org

Formerly Jefferson Mental Health Services
Discovery Behavioral Healthcare Profile

DBH offers Behavioral Health and Chemical Dependency/Substance Use Disorder behavioral health treatment to East Jefferson County

- 25 year old non-profit
- 40 FTE staff
- Avg. 1500 clients/year

Services: Crisis & emergency, psychiatric, child/youth/family, school-based behavioral health and substance abuse, co-occurring disorders treatment, adult outpatient, older adult specialized treatment
DBH Class Experience

• May 2015 Gates Foundation workshop
• Management team of four took summer 2015 class
• During the class, DBH redesigned their patient intake process
  – Before: 40% of patients took longer than 14 days with 25% no-shows
  – After: Average of 2 days with 5% no-shows

Photos by Earll Murman
Engaged staff in half day kaizens for root cause analysis and structured problem solving.

Reduced time from first appointment to first treatment from 45 to 15 days or less.

Applied to lines of service:
- Before: patients treated individually
- After: many patients in group treatment
- Better treatment with less resources

Most useful tools: fishbone, A3, process maps, value stream mapping

Next: bringing new chemical dependency services into DBH

“We call it ‘just fix it’ and never mention Lean”
Short Term Win: Manufacturing
Toland Company Profile

“A personal growth company that also produces and sells wholesale decorative garden products”

- Celebrating 40th anniversary
- Transition from import company to 80% domestic product line
- 100% USA production of flags and mats
- Grown from 12 to 25 employees
- “Print on Demand” production fueled 19% growth and doubled gross profit margin
Toland Lean Class Experience

• Feb 2015 – Three management team members attended class
  • Good introduction to the language and culture of a lean organization
• Seven more members took classes
• Tours of lean-based companies provided live look at Lean in action

• Lean provides a depth & opportunity to those open and engaged
• Toland took the challenge to introduce lean culture & begin a lean journey

Photos by Earll Murman
Toland Lean Journey

“Lean is now Toland’s culture”

- 90% increase in weekly production from $42K to $80K
- Reduced defectives from 5.5% to 1%
- Reduced order lead time from 23 to 5 days
- Daily huddles improved communication and collaboration
- Employees now provide improvements and solutions
  - Becoming the main source of “continuous improvements”.
  - They see the “eye of lean” & talk the universal lean language.
- Implemented Andon cord = red cup program.
- Provided Lean tours of facility to over 100 people
- Last 3 months: Relocated packing machines

Lean skills have improved employees’ personal growth.
Consolidate and Produce More Change

- Promote Lean course
  - Frequent offerings
  - Continuously improve
  - Update with local examples
- Offer annual workshop with Gates Foundation staff
- Engage alumni
- Maintain publicity
- Provide lean coaching
Port Townsend Food Co-op

Full-service organic foods market
Affordable organic foods to everyone-every day!
Member-owned consumer cooperative since 1972

Making locations visible speeds facility repairs

Visual Management reduces stock outages and streamlines ordering

Photos by Jay Bakst
Habitat for Humanity Store

- Produce funds to build/repair homes
- Receives donations of furniture, appliances, home goods, etc.
- Voted #1 Furniture Store in County

Redesigned Donation Intake process
Moved call answering to store staff
Made donors submit pictures
Started tracking calls and results
Reduced discarded donations by 40%
Eliminated 3-week backlog of donations

Manager’s office in the Gemba

Photo courtesy of Habitat for Humanity

Photo by Earll Murman
Peninsula Homecare Cooperative

Worker-owned home care agency
Founded in 2016 to create consistent, exceptional care to the elders of Jefferson County. First cooperative in County.

Provide **Customer Value:** Former dance champion gets to keep dancing

**Reduced** caregiver paperwork errors from 18 to 3 or less per week
Finnriver Cidery

Organic Orchard
Farmcrafted Cider
Community Gathering Place

“Standardizing lets me to be a nurturing rather than an authoritarian manager.”
Andrew Byers, Cidermaker

Photos by Earll Murman

Everything in its right place

Standard operating procedures
Institutionalize

- Utilize social media
- Community Lean Resource
- Library – Lean business bookshelf
- Grow volunteer instructor corps
- Engage alumni to foster a county learning community
- Instill Lean Thinking in the DNA of Jefferson County Leaders
- Word of mouth promotion of classes

“I became introduced to Lean Thinking via my friends at Spring Rain Farm.”
Heidi Eisenhour, COO Northwest Maritime Center
Question – Does the Kotter process apply to community change management?

From our experience, the Kotter process is applicable to community change management.

Summing Up

Jefferson County is opting into Lean Thinking

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<thead>
<tr>
<th>17 businesses</th>
<th>19 non profits</th>
<th>5 public agencies</th>
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<tbody>
<tr>
<td>MarkeTech International</td>
<td>FIRST Robotics Team</td>
<td>Jefferson Co. Auditor</td>
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Over 2% of the population has had some formal introduction to Lean Thinking

Photos by Earll Murman
It’s About Thinking, Not Tools

“Lean is now Toland’s culture”

“We talk about improving efficiency, not lean”
Jefferson County Library

“We call it ‘just fix it’ and never mention Lean”
Discovery Behavioral Health

“The thinking resonated – how can we make things better”
Port Townsend Food Co-op

“Biggest advantage has been the way of thinking”
Quimper Unitarian Universalist Fellowship
“We have real challenges being a rural county. Having more small businesses build plans around Lean is part of our economic development strategy. With Lean, we have a common language to get us through future planning and open up areas of opportunity.
Questions and Answers

Fill your Presenter’s data banks with your feedback!

This session is:

144 Murman-Bakst

Are you a future presenter? Contact Jeff Fuchs at jeff@leanmaryland.com about presenting at next year’s conference.