

03-20-13 Governor's Accountability and Performance Tape 2-13

Good afternoon everyone. Welcome to Lean for Dummies book review. Glad you're here and let's get this party started. So we are in week four, and headed for 20 sessions that will take us to May 29, and just a reminder again that all of our recorded sessions are at the Accountability and Performance website and you can access those. We just turned the date into a link after each session has been posted there, so that's where you can find all the recorded sessions and the quiz answers for each week. So we also have special guest speakers each week and this week I am excited to introduce you to Karen Ross, so Karen Ross is with Zurich Insurance out of Schaumburg, Illinois, and joining us today. Karen is a Lean leader there exploring community of practice and all kinds of great things with Lean and has three bullets here on her introduction that she always likes to make part of who she is. Karen is a firm believer a problem is a buried treasure. A complaint is a process improvement waiting to happen, and how we get there is as important as where we're going, so thank you for being here with today Karen. We're going to get you in on answering questions here shortly.

Sounds fabulous.

Thank you. So a couple of things before we get going to get the most of the book review of course read the chapter ahead of time, make a list of questions, talk to somebody about it. Those things always deepen your learning in anything that you're reading or studying about, and we encourage to you do that each week as well so we will put you on mute. If you join late or happen to hit that mute button throw it back on mute. That helps that ambient noise thing and the questions shoot them in through the chat and change that drop down in chat to "everyone". That way our team and others as well can see the questions that you submit. So if you haven't already done the poll type in the name of the city you're at and how many people are at your location and that will help us tell the story of this book review and see where we are. We have a lot of folks covering the entire state from Spokane to Bellingham and Vancouver so glad you're all here. Fill out the poll and submit that. So the course info is there. I won't go through all of that.

We will slide into this week's content for chapter four which starts at in the Prezi, and so this week of course is Valentine's Day and I wanted to share a little of my heart with you. Each week we have been taking your suggestions to try to make this online book review more valuable to you, and this week was no exception. I sent out an Email to the book review route list and asked everyone to look at prompt questions that Karen crafted, and offer you the opportunity to respond, and then the link that I gave you to respond I hand typed, which as you know whenever you have hand entry you have opportunity for introducing errors, and in fact I created an error there by not typing that thing right, and not using some of the state proofing, so many of you didn't have the chance to submit your questions because of that link, but there were those intrepid souls that found a way past that error and sent us some questions, so this week in that spirit we would like to reverse the order and start with responding to the questions and comments that came in like that, but I also wanted to say this really is our desire that we make this book review valuable to you, so let's continue -- we definitely want to listen to your feedback and any improvements that you would like us to make.

The best way to communicate them is send them through the accountability mailbox or you can send Email directly or call me, anyway you like. I am

definitely open to hearing your suggestions for improvements. So I put here in the Prezi the thing that we sent out to everyone on the book review in case some of you may not have seen it yet, but Karen I thought we would thought with responses that did come in yesterday and this morning, and work through some of those, and then we will see how it goes from there. So the first thing that we got is a question here that says "When doing a kaizen event do we ask the team member their learning style or make our own assumptions based on their language and actions?" I assume that's make assumptions by observing them in the workshop or do we do a formal assessment type of thing? Karen, have you had any experience with that?

Sure, absolutely. First of all that's a great question because it brings up a couple of topics. First of all how many of us know our own learning style? And there are a number of assessments that you can take, either online, or I have been in different work places where the assessments were part of employee onboarding so people knew their learning styles and sometimes if it was a color or depending what assessment was used those were posted at people's desks, so there could be better communication. I also been in kaizens where having learning style assessment is built in as part of the kaizen standard so it's a great team building experience. People get to learn about each other and it's something that we can use as part of our work and understanding people's reactions as they go to kaizen. In general I also feel that kaizen as an activity in itself is really built around all different kinds of learning styles, so oftentimes we're using a lot of visual management. We're taking pictures of before and pictures after. We're talking to people. We're talking with people. We're discussing, you know, we're going through a standard set of logical steps, and then we're actually learning by doing because people don't just sit in a kaizen. They actually participate so I think the whole structure of kaizen actually takes into account all of those various learning styles.

Thanks Karen, and yeah the term "kaizen" here in state government we probably had more activity around using value stream mapping, and maybe referring to lots of stuff as value stream mapping or improvement events, and kaizen that word is used for both that event and then rapid improvements that happen after that or getting together to make improvements, so I wanted to make that comment for folks that are wondering what that term "kaizen" can refer to a lot of different stuff, and we don't quite have a standard terminology going on how to use that word kaizen, but thanks Karen. So the other one that came in here is "How do you implement change in an area that has been identified -- the employee that does the specific job can't really admit that the change is wrong or even after it tests out to be the right thing to do." So that question is about implementing change in an area that is difficult for a person to make the change, and even after I guess is sort of the resistance to change thing.

Right, and I actually --

Go ahead Karen.

Sorry to interrupt Darrell. I think that question actually speaks to really this entire chapter, and really just about the fact that all processes really have to do with people, and it doesn't matter if it's automated process that process was created by someone. It's monitored by someone, and all of us, even if we actually are frustrated by our process ourselves, and I know I say complaint of process improvement waiting to happen. In general when push comes to shove change from what we're used to is very scary, so even if we don't like it, if we have the possibility of then someone else coming in or a group of people with value stream mapping or rapid improvement event or whatever improvement

methodology we use comes in says "Well, maybe we can do it better if we did it this way. That change isn't necessarily coming within us, and I have been in situations where I have worked with groups of people to voice customer feedback in the beginning the group said this is the most difficult part of the process for us. Then when we started to work to make changes on the process they all said "We don't want to change anything. It's fine the way it is". Change is really hard. We really have to prepare ourselves for change. When we are working with groups of other people and we're looking at their process understand how much people have invested in their process even if they seem not to like it, and tread very gently and really prepare them for change and take into account their feelings. Lean isn't something we do to people. It's something that we create together so I think that question is absolutely what this entire chapter is all about.

It's really at the heart of that idea that respect for people is the foundational principle of moving forward together on a Lean journey, and without that all the other bets are off. It's just a mess.

Absolutely. And Lean stands on two legs. We have respect for people first and the continuous improvement. If we don't have the respect for people we're really not going to get to the continuous improvement for very long. If we make a change it's not going to be sustained.

Agreed. Okay. Here is another one. How do you deliver customer value when you have a large audience of customers for the same service or product and they don't agree on their needs or what they value?

I think --

Well, this is an easy one Karen. You take it.

I think that is absolutely fabulous question, and it probably applies unbelievably to almost everything that we do. First of all it's always easy to think that we know what our customer wants but as we often find we have many customers and many of them want different things. I think that value stream mapping is a particularly useful tool for this because we have different segments of customers, and when we start to look at voice of customer and what our customers are really saying we can, you know, sometimes segment that into different groups so we might find out there are three general comments, three general things that our customers want, and we might be able to then redesign our process around that, so that we know this set of customers wants this. This is what we're going to deliver. This set of customers wants this and this is what we're going to deliver and I think in continuous improvement we're always trying to figure out what our customers want and once you figure it out chances are their needs might change and they might want something else. That's why it's always continuous.

Continuous. Don't call it continuous improvement for nothing.

Absolutely.

Great thank you Karen. And that's another question here that was -- "Can you send me the link to the presentations over the past two weeks?" And as I mentioned in the beginning each time we recorded each week we put it in the accountability website, that table there, and just turn the date into a link, so you can click on that to see the record the Webex session and of course this Prezi is available 24/7 at the Prezi site and simultaneously so it's just out

there for the public view. Anyone can tap into it from any website, any browser from a computer from everywhere and each week we load the content there so thanks for that question. Another one that came in "I think Lean is great. It's great that we're all learning Lean principles but to what extent is upper management of the state including our local offices trained in Lean?" And that's a great question. Literally just a few minutes ago over here in Olympia at the auditorium office building two there were about 300 of the state senior leaders in that auditorium listening to Brett Cooper and Dan Schawb from Integer Performance advisers introducing them and talking to them about the leadership challenge and the shingle model and their role as senior leaders in state government and that session was kicked off by the Governor's Chief of Chief, Mary Alice Heuschel and yesterday there was a session -- so there were two sessions of that actually, so about 600 of the state senior leaders just in the last two days have been focused on what does it mean to be a Lean leader and moving forward in that journey, so I guess that's just an example of the seriousness with which Governor Inslee has taken this idea of moving forward on a Lean journey and preparing our leaders to transform the way they act and have these Lean principles in play. Karen, in your experience can you speak to that the experience of having senior leaders' behavior -- the senior leaders and the behavioral change that's required on the Lean journey?

Sure. One of the things that we have to remember is that senior leaders are people just like all of us; right? And in general they have gotten to the position they have by thinking a certain way. In order for the any of changes that we make to be sustain absolutely we have to have senior leadership buy in. My great friend and author of the Toyota way series Jeffery Liker always say Lean lives and dies with leadership and I absolutely believe that because many of the changes that we want to make and a lot of the information about what does our customer want because in Lean we're always trying to satisfy our customer and listen to our customer. Our senior leaders have to be able to listen to that. They have to be able to change some of their ways they act and thinking, so they're not just managing by giving us rules and direction, but they're managing by giving us support, so the first question that I actually had about the structure of the book, the structure of the this chapter really addresses that because in a normal business book we might expect to see information about managers and senior leaders and what they do first, and then down to the individuals who actually do the work at the bottom so we would have a triangle, but a lot of times in Lean management what we have really is a triangle that is standing on its point. We need a management of support. The people who are doing the work who are usually closest to our customers they're on top, and they really need management in the way they're interacting with their employees and team members and interacting with customers. We really need them to be at the bottom supporting the people closest to the customer.

True story. The question on the chat here that's come in for us Karen to share is "If someone -- this is kind of going back to the relationship thing "if someone's has already strained a relationship with a team member or team members due to stress then how can someone improve and create trust via Lean principles?"

Actually a lot of times when I am in a work place and I see that there is a lot of stress between team members and there's a lot of stress between different areas I actually think to myself somewhere here there is a problem in the process and whatever the problem in the process is is causing friction between the people who do the process, so I think this is unbelievably a common type of problem, so I think when we think of Lean principles and think of really listening to someone else's point of view and to building consensus and building consensus doesn't always mean everybody gets what they want, but if you actually

really go down and listen to what someone else wants with an open mind and open heart and you concentrate not on the person but their process, and really if you go out and map out the process and look at the steps oftentimes that working together on that activity and finding where the problems are in the process, and then working together to fix those problems, actually takes the problem away from the relationship and rebuilds that trust, and I have actually seen that open over and over again. I have seen groups starting working together shouting at each other by four or five meetings actually focusing on the process, having absolutely fabulous brain storming sessions saying "I didn't know this is what you had to do and how it made you feel. What is it that I can do to help you?" I think Lean actually builds those types of relationships and it's one of the best benefits that Lean has for all of us.

Here in state government Karen we had well hundreds now really of value stream mapping events and the characteristics are always the same. Even if folks didn't come in with any kind of strained relationships by Wednesday of a value stream mapping workshop there is a 12whole bunch of strain going in the room and everybody getting moved and it's a hard event to go through, but like you said focusing on the process and not the people and going through that together can build that trust and I think the other thing that is important is just that authenticity and being able to call it when you see it but with respect for the other person and the focus on the business and willingness to open up to another person is critical for us to move forward with that kind of mind-set.

Right and I think oftentimes when is we're in those kinds of situations because I've been in exactly the same kind of situation that you're describing and everybody is grumpy by Wednesday I think you really have to go back to some of the points that they made in the beginning of this chapter about stress, and looking at yourself and saying this is a stressful event. Being in this type of situation which oftentimes we're all excited about beforehand. We're going to have this value stream mapping event, we're going to have this rapid improvement event, but we don't really prepare people as best we can for the amount of stress there is going to be and the amount of anxiety they might have when they really realize things are going to change, and the person has to change. The process that is going to be affected is my process, so I think that we have to look at ourselves in those events and say this is how I'm feeling. The way this person is acting that's probably because they're 13feeling like that as well, and when we can make that thought conscious for ourselves and look at the other person and say I feel like that. The other person feels like that. Then I think we can also move past those things.

Working together.

Working together.

So there's another question here on the chat that taken a little bit of a different tact here, but related to customers, so the question or the statement is "My manager wants to designate our section boss, which I am assuming is someone else inside of government, not outside the recipient of government's products and services, so my manager wants to designate a section boss as a customer, but I think she's a member of our team, so this speaks to that especially in value stream mapping events what process are we mapping? Where does that side part, the supplier, the input, the process, and all the way out to the customer, and this is an interesting question that's going throughout state government in many places right now as folks are starting to look at process using VSM, value stream mapping and trying to figure who is the customer? Is it the other agency that we serve, or should we be focused on the

Washingtonian or the recipient of product and service outside of government?
Karen, how do you handle it at Zurich?

Okay. I will tell you we have spent many, many, many, many hours in discussion here --

We're not alone in this debate? 14

No. We have had that debate over and over and over again because we have external clients who purchase our insurance. We have the different departments that are internal to Zurich. We have different areas in the different departments. And in general as most organizations who are on a Lean journey we're sit up in silos, so we're not set up according to value stream or product family, and we have this ongoing discussion. The thing that I think that is the discussion about who really is the customer is as valuable in understanding your process and in bringing people together as actually figuring out who your customer is, and I think it's very easy for us to think okay there's only one end customer, but the way I like to really like to think about is that we have a variety of different customers and ultimately when we think about our process I think the challenges to identify all of the potential customers we have. Who is the next step in the process? That's your customer. Who's the next area downstream? And who's the area upstream from your customer? Who is the ultimate end user of this? And to take all of those voices of our customers into account and work towards continuously improving the processes so that we satisfy everybody because if we make an absolutely fabulous beautiful process that our end user loves, but is really terrible for all of us that have to do the process, I can guarantee that end process is not going to be sustained.

All in the spirit of the idea 15of not accepting defects, creating defects, in my work, or passing on defects to the next person in the process, and when we embrace that you're right. We're customers internally and we're passing it onto other folks if it's internal or end of the line and passing it on to a Washingtonian but improving all of those handoffs and the product and service quantity quality. Getting right at the right time is critically important. I think on the other hand if we fail to get to the Washingtonians as the recipient of our product and services, and we only look at each other than that is exactly how government gets bloated and how our processes ends up just being self serving and over built and without regard for ultimately for the Washingtonian, but it's not a simple journey. Karen I appreciate you sharing the struggle that you're having in your organization as well. It's always nice to know that we're not alone on these journey topics.

Absolutely not alone.

So let's see. We have about three minutes left here. What shall we do? We have a choice of going either into this first or second page of prompt questions. Maybe this would be a good time to invite you the rest of the listeners, participants to shoot a question through the chat here in just the next few seconds, and if not -- if we don't see anything there then maybe Karen we will take this -- what do you want to do? Teams or the individual one on this page? Maybe we hit those a bit. You want to go to 16page two here and the managers.

Sure. And I think that we took a look at the managers a little bit when we talk about senior executives, but I think really if you're a manager you really need to develop your ability to listen and to truly hear your employee because the person who is doing the work really understands the process, and as well as knowing what the problems are. They probably have some ideas about the solution

to that, and that's why I always say a complaint is a process improvement waiting to happen, so sometimes we hear complaints from our end customers. You never hear a complaint from anyone Washingtonian, do you?

Yeah. We have piles of them.

Right. But sometimes when we're doing our own work we're complaining to ourselves. We're frustrated. We're saying why am I waiting this long? Why is this happening? If only I could do this. If this could happen then things would be much smoother, so we need to listen to ourselves because in general I have also found things that frustrate us as workers in our process are the things that end up with the end result being defects or frustrations to our end user. In your case the Washingtonian. In my case the person that buys the Zurich insurance or HR our employees doing the work, so I think as managers really you have an unbelievably -- I actually like to say it's an unbelievably privilege to be able to work as coaches and guides to your teams and employees to develop their problem skills and abilities so that they can actually fix their processes and satisfy your end users.

It is an honor to be on this journey and Karen it's an honor to have your help on this journey as well. I'm going to back up on the Prezi view to the whole chapter four and we will close out here, and just remind everyone that we have the key points there and those of you staying in your conference rooms and having discussions you can use the Prezi to either go through the key point slides that we had each week, or as you can see in the middle of which chapter four section there is a prompt question that Karen teed up for us, and Karen again thank you so much for your contribution and your friendship and help. It's an honor to be on a journey and have your help as we move forward and thanks to everyone who is listening today. Final words Karen.

I want to say thank you very much for inviting me. I have learned a great deal from speaking with you and it's been an honor and pleasure to do this. If anyone has any questions for me Darrell and they want to reach out to me that is perfectly fine with me. You have my information.

Okay great. Thank you very much. Everyone go and do great things. Have a great week and happy Valentine's Day.

Bye bye.

Bye.