Growing a Lean Community
The Jefferson County Lean Journey

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Toland Home Garden Daily Huddle Board

Washington State Government Lean Transformation Conference
October 18-19, 2016
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
Jefferson Co Lean Journey

Jefferson Healthcare Lean Implementation

Exploratory Phase: Workshops & Talks

1 Day Workshop

2011 - 2016

2011 - 2016

Lean Thinking Classes

Two Gates Workshop

County Kaizen

City Kaizen
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

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
  - Earll Murman, MIT Emeritus
  - John Nowak, Jefferson Healthcare
  - Jay Bakst, Lean Coach

- Participating organizations hand picked for workshop to initialize the 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.
Communicate the Vision

Three Key Strategies
To boost your
Lean Transformation Journey
Presented by
RESULTS WASHINGTON

Articles

Networking

Speakers

Workshops

Jefferson County Chamber Commerce
Lean journey yields big benefits

Gates Foundation to present second lean-thinking workshop Oct 21, 2015
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
• One week Lean Academy workshop
  – led by Local Government Performance Center within State Auditor’s office
• 1.5 hour Waste Detection workshop
• Examples from different industries
  – Manufacturing and more – service, government, ...
  – Tour of companies with long lean tradition
Lean Thinking Class
(Our foundation)

**Concepts**
- Continuous Improvement
- Respect for people
- 5 principles of Lean Thinking
- 8 Wastes
- 3 actuals (going to gemba)
- Standard work
- Single piece flow
- Three levels of kaizen
- PDSA/PDCA
- Implementation & change management

**Tools**
- 5/6 S
- DMS & huddles
- Process mapping
- Value stream mapping & analysis
- Spaghetti chart
- 5 whys
- Fishbone diagram
- Pareto chart
- Problem Solving Implement Form (A3)
- Kanban
- Improvement events (kaizens)
Active Learning

Just-Do-It

Plant Tours

Visual Communication

Push vs. Pull
Lean Academy Service

- Provided by State Auditor’s office
- City of Port Townsend Development Review Team
- Week-long, all hands on board activity
- Process - First contact through permit received
- Continued with weekly meetings including staff and leadership
- Invited State facilitator back for checkups

“Inspiring” support from leadership and involvement of staff
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
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

“We talk about improving efficiency, not lean”
Food Co-op Profile

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

Principles
Co-operate for the common good
Act to create social and economic change
within the larger community

Buying Policies
Good nutrition, respect for the environment
Foster local production
Socially responsible workplaces
Co-operative member ownership
Food Co-op Class Experience

Sent entire management team to Jan 2016 class

Learned about visual management through Lego exercise

Push vs. pull exercise opened eyes to:
Lots of wasted movement
Lots of work in process inventory
Food Co-op Lean Journey

Eliminating batch processing enabled new employees to start 2-5 days sooner

Focus on bottleneck reduced time to price produce by 1-2 hours per week

Making locations visible speeds facility repairs

Standardizing labels reduces customer confusion

Initially targeted 4 departments, extended to 6
6

Short Term Win

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
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
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
• Six 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
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

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

• Continued Publicity
  – Chamber newsletter
  – Chamber & service club meetings
  – Local newspapers

• Maintain contact with alumni
  – Alumni Panels
  – Alumni roundtables, Lean Learning Circles
  – Annual workshop for non-profits (future)
  – Help alumni spread Lean Thinking

• Advanced training (to come)
• Lean coaching available
• Continuous improvement of class offerings
Institutionalize

- Community Lean Resource
- Library – Lean business bookshelf
- Utilize social media
- Grow volunteer instructor corps
  - Retired subject matter experts
  - Alumni
- Move towards a blend of paid staff and volunteers
- Engage alumni to foster a county learning community
Instill Lean in DNA of Jefferson County Leaders

- City and County
  - Elected officials
  - Administrative leaders
  - Departments
- Business leaders
  - Chamber
  - EDC Team Jefferson
- Non-profit leaders
Kotter’s 8 Step Process for Leading Change

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

9 businesses 20 non profits 7 public agencies

Port Townsend Leader  FIRST Robotics Team  Jefferson Co. Auditor

About 2% of the population has had some formal introduction to Lean Thinking
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
Lean is Our Future

“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.