Lean Thinkinar:

The Alignment of Institutional Practices to Support Lean

Central Coast Lean

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Is Lean Implementation Sustainable?

What % organizations continued Lean after implementation:

Bhasin & Burcher (2006)   10%

Mohanty, Yadiv, & Jain (2010)   15%

Bicheno & Holweg (2009)   10%

Taleghanis (2010)   10%

Overall: High failure rate

Source: Scoggin, J.C. (2017). The Interdependency of Lean Implementation and Organization Development. Dissertation, The Chicago School of Professional Psychology. Proquest Number: 10263384.

Why Such a High Failure Rate? Some Hypotheses

- Lean works but isn't done correctly (e.g., poor scoping) – it dies off

- Lean is not really Lean (e.g., Fake Lean: no respect for people) – it dies off

- Lean is big business for nomadic consultants – it dies off when consultants leave

- Lean is not sustained (e.g., new leadership, focus shifts to new shiny things) – it withers or is killed off

- ★ Lean is the wrong solution to the yet-unspecified problem – wrong cure

- Lean as large-scale change is poorly implemented and unable to succeed

If you remember one thing, ….
Bill Balzer's
Lean Thinkinar Takeaway:

To support and sustain* Lean it is necessary to align your institutional practices

*or any large-scale change

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What are "Institutional Practices?"

- **Workplace Climate:** Shared perceptions and attitudes employees have about their work environment

- **Leadership Practices:** The words and actions of leaders that direct the work behaviors of employees to successfully fulfill their job responsibilities

- **Strategic Plans:** Direct the commitment of university resources toward established priorities identified as critical to institutional success

- **Job Design & Roles:** The assignment of standard tasks and formalized behaviors and responsibilities across jobs that are required for the institution to deliver a service or product

- **Organizational Design & Structure:** the vertical and horizontal division and coordination of jobs and roles to maximize efficiency and effectiveness

- **Motivation & Reward Practices:** Intrinsic (e.g., enriched work) and extrinsic (e.g., recognition) efforts to ensure the timeliness, quantity, and quality of performance by employees

- **Communication Practices:** The exchange of information among individuals and systems to meet the work-related and social needs of employees

- **Personnel Practices:** Employment-related activities (e.g., recruitment, hiring, onboarding, training, evaluation, etc.) to provide the workforce needed for institutional success

- **Power & Influence:** Institutional or personal authority to help assure the consistency and appropriateness of employee behaviors to job and role requirements

- **Team Design & Roles:** The influence of formal and informal group activities on employee work attitudes and behaviors

- **Decision Making Practices:** The use of information and involvement of employees in making all levels of institutional decisions

The (Typical) Misalignment of Institutional Practices
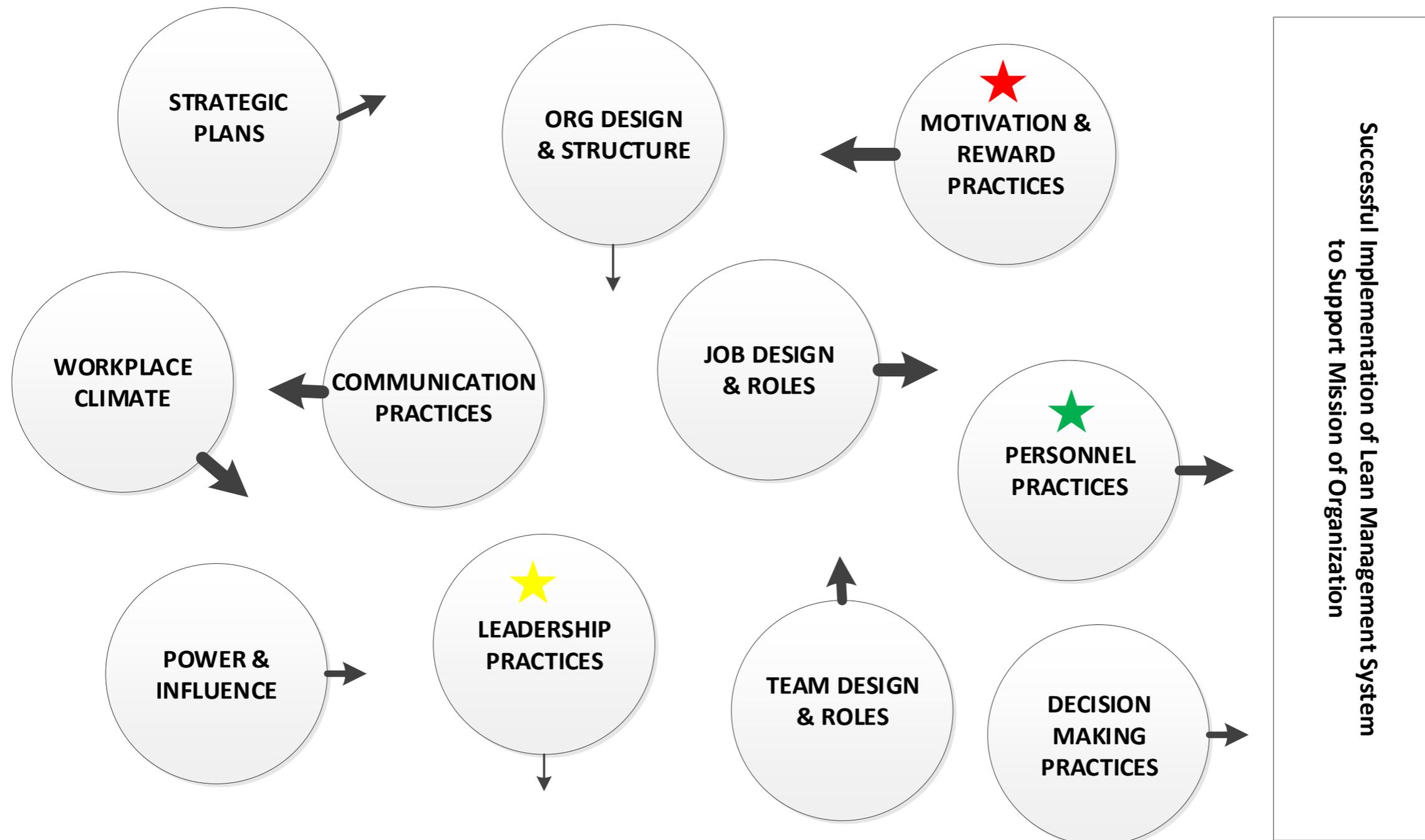
Recommendation: Use a Structured Approach

- Organizational **Analysis**: Determine misalignment of institutional practices

- Organizational **Development**: Improve alignment of institutional practices

- Organizational **Effectiveness**: Full alignment of institutional practices

How to Implement a Structured Approach: Use Lean - PDCA and Continuous Improvement (of course!)

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Step 1. Analyze the current alignment of your institutional practices with Lean

- Surveys, interviews, focus groups, institutional records

Step 2. Selectively begin to align your institutional practices with Lean

- Criteria for choosing interventions: impact, difficulty, time, and cost

Step 3. Ongoing assessment/alignment of your institutional practices throughout Lean implementation

- **Expand alignment of institutional practices with Lean - fully redundant and consistent to support and sustain change**

Example: Creating Alignment of "Personnel Practices" to Support the Implementation of Lean

Personnel Practice	Alignment with Lean
Recruitment ★	*Highlight "Respect for People;" Opportunities to work independently and "own" a process; Lean as a demonstrated strategy to be best in class*
Hiring	*Select employees who can work autonomously; good communication and problem-solving skills; sets high standards for performance; commitment to success of their work unit*
Onboarding ★	*Lean as strategy and management system; How job relates to mission of institution; Continuous improvement in daily work; Leaders as coaches and not problem solvers*
Professional Development	*Ongoing training on Lean skills and tools; Ongoing mentoring and coaching by supervisor; Opportunities to facilitate continuous improvement activities*
Performance Review	*Evaluate on participation in continuous improvement; Recognize hard work and success; Acknowledge that failure of some continuous improvement activities is expected and acceptable; Focus on team/institution success*

Other Institutional Practices Can Also Be Aligned to Support/Sustain Lean Implementation
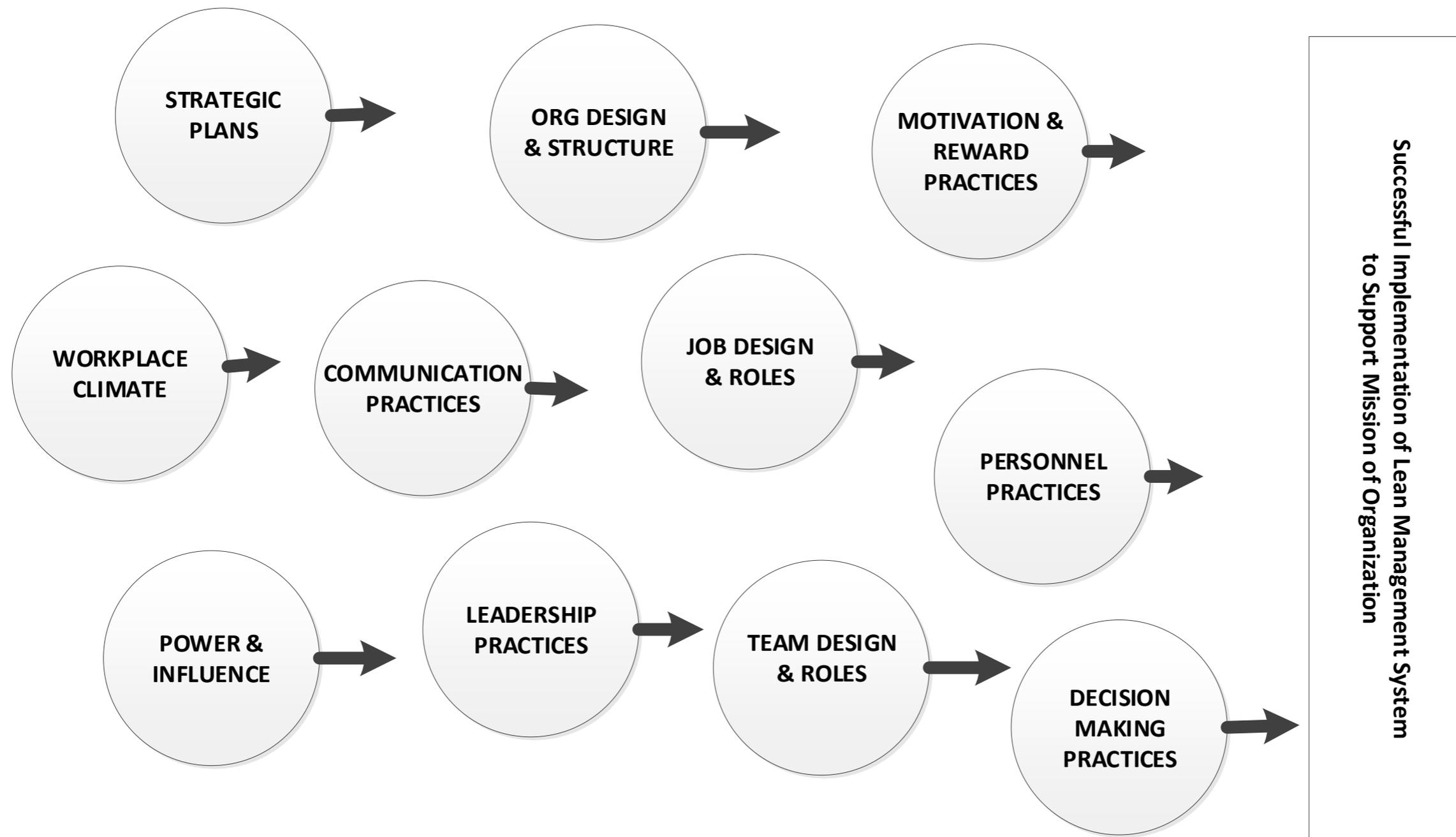
Institutional Practice	Typical	Lean Aligned
Strategic Plans	Often lacking or incongruous, with limited connection between job and university success	**Providing value to beneficiaries; commitment to continuous improvement**
Job Design & Roles ⭐	Limited opportunity to change work; role ambiguity due to job design; Supervisors supervise but may not know how to do the work	**Clear role responsibilities and role interdependence; cross-functional teams; improvement kata (DMAIC; PDCA)**
Communication Practices	Typically assymetrical (downward) and infrequent; interaction influenced by departmentation; supplemented by informal communication & interaction	**Frequent communication in all directions; on demand by employee; visual management**
Power & Influence ⭐	Top down supervision due to centralized power; influence is often confounded with your level in the organizational chart	**Empowered employees (andon cord); leadership kata (coaching to individual success); Lean experience respected**

Institutional Practice Deeper Dive: "Org Design & Structure" to Support/Sustain Lean Implementation

Institutional Practice	Typical	Lean Aligned
Vertical Differentiation ⭐	Decision making power decreases as you move down levels in organization	**Decision making pushed down to those who know the process**
Span of Control	Closer oversight and managerial control (because of less standardized work, output, and skills)	**More autonomy to individuals (and self-managed teams) based on standardized output**
Centralization of Authority	Decisions are likely to be centralized and top down	**Decision making is shared with employees empowered to change process**
Formalization	Limited formalization of jobs by workflow and rules	**Employees understand the complete process and their role in adding value**
Work Unit Design ⭐	Units are grouped by function (silos and stovepipes)	**Units are grouped by process families (workflow interdependencies)**

The Dream: Full Alignment of All Institutional Practices

STRATEGIC PLANS →

ORG DESIGN & STRUCTURE →

MOTIVATION & REWARD PRACTICES →

WORKPLACE CLIMATE →

COMMUNICATION PRACTICES →

JOB DESIGN & ROLES →

PERSONNEL PRACTICES →

POWER & INFLUENCE →

LEADERSHIP PRACTICES →

TEAM DESIGN & ROLES →

DECISION MAKING PRACTICES →

Successful Implementation of Lean Management System to Support Mission of Organization

Recommendations from a Lean Researcher and Industrial-Organizational Psychologist
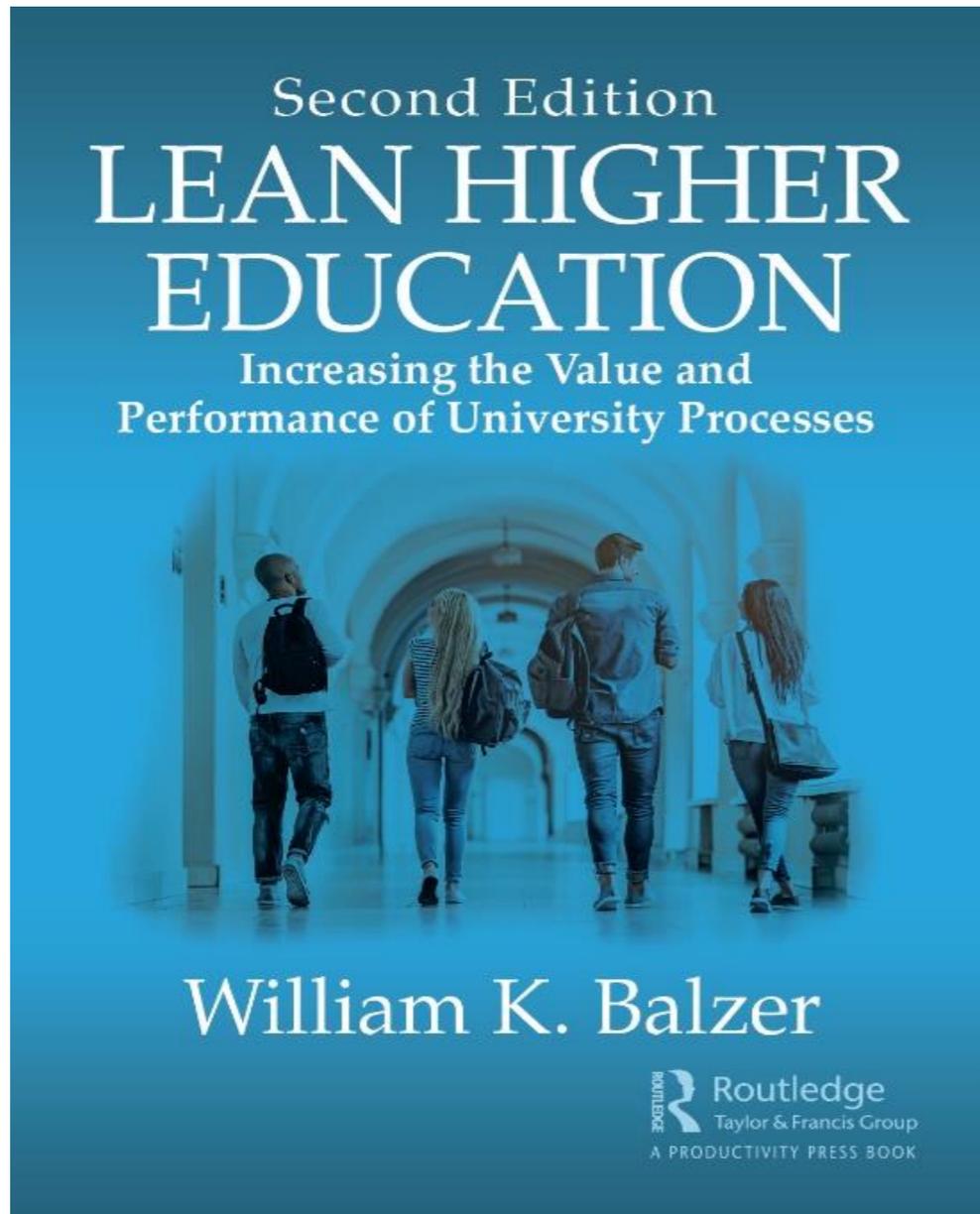
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- Use Lean philosophy, principles, etc. to determine what are "Best (institutional) Practices" to support/ sustain Lean organization

- Analyze your organization

- Align as many institutional practices as you can
  - If you can only focus on two institutional practices, start with:
    - Workplace Climate
    - Leadership

  > ★ **TAKEAWAY: To support and sustain Lean as large-scale change it is necessary to align your institutional practices**

- Get the flywheel turning

- Leverage success to align even more institutional practices as time, resources, etc. permit

Every aligned institutional practice supports and sustains Lean!

Thank You!

Now Available

Routledge – A Productivity Press Book

**Lean Higher Education:
Increasing the Value and Performance
of University Processes 2nd Edition**

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