

The Case for LEAN Process Improvement

In today's business environment, an organisation, whether profit making or not for profit, is becoming under ever increasing pressure to improve its operational efficiency. This is even more critical as a consequence of the current global *crunch* as companies seek to stay afloat in these turbulent waters, hoping that the application of a range of consolidation strategies will see them through to calmer waters in the future.

Most honest people will admit however, that the future will never be the same - we don't know what hazards the turbulence will conjure up only to then nestle just under the surface, ready to tear away at our organisational framework when an opportunity arises.

Most business leaders would concur with a strategy of ongoing internal evaluation of its business processes in an effort to maximise their efficiencies, generating an improved contribution to the business margin. We have had a host of business practices that have come and gone – and even come back - which are considered as *good business practice*, Business Process Re-engineering; balanced scorecards, TQM; to name a few. Many organisations have applied such techniques with a variety of successes, but fundamentally any intelligent manager would endorse the view that there is clearly no single blueprint to success.

The emphasis is clearly established for organisations to adopt the philosophy of *continuous process improvement (CPI)*; and this often includes the practice of *continuous personal development (CPD)*, which extends the philosophy into processes for the improvement of performance of their employees.

Operational Blinkers

For most organisations, the mindset of many managers is continually focused on *oiling the wheels of the operation* to just keep it going day by day. Such operational demands are not to be undermined and for many, there is little room in this mindset for anything else, even periodically checking to see if the selection of the oil being used is doing the best job. Such operational blinkers are cultural driven and ingrained in the management and leadership style of the organisation itself.

Whilst this might be a simplification of the reality, all in business would agree that we spend insufficient time taking a step back and reviewing the processes that we run, checking to ensure that not only are they at the peak of efficiency, but probably more importantly, that they are actually making a valuable impact towards achieving the business goals of the organisation.

This later point is truly critical in any evaluation of business processes. Experience shows that in many cases organisations turn the process wheel in the same way that it has always been done, but in reality, the momentum is as a consequence of the past as opposed to building a credible momentum for the business goals of today and the future. It is also apparent that in some cases this historical momentum state is actually disabling the organisation's intentions for business growth and even survival into the future.

You are a manager? Prove it!

The principle of CPI and CPD, some would argue, are fundamental responsibilities of any manager. Such responsibilities embrace not just the capability to articulate in the jargon of these principles, but present a measurable demonstration of actions to improve, with meaningful outcomes. Many executives are now demanding such actions of their managers and are including the evaluation of CPI successes in their performance and appraisal reviews.

In fact, gone are the days when CV's are just a statement of what jobs a candidate has had – assessments now demand proven data about the outcomes of actions that managers have undertaken when in this roles. When making a selection for a critical and key role, most modern day thinking executives would prefer a junior manager with relevant and proven role results than a senior manager with a host of experience, but little measurable facts as to the impact he/she had in these roles.

Business process improvement should focus on those process that are critical in the operational undertaking – this means evaluating what really is the function of each department in the organisation in contributing to the business goals and evaluating those processes that realise this contribution. Hence, in a transport department, the focus should obviously be ensuring the movement of people or goods to be at the right place at the right time and in the right condition – and not so much perhaps about vehicle colour or status image. In a procurement department, the focus is about sourcing the most fit for purpose goods or materials with proven reliability at the best price to be at the right place at the right time. Are all processes truly contributing to this?

So often organisations have invested heavily in complex processes that have historically served them well but now prove to be unwieldy and extravagant in the utilisation of depleting resources, but fundamentally not always generating outcomes that the current day market now demands.

Change is uncomfortable, but tolerable if managed right

It is also the painful truth that many managers do recognise the need to improve their processes but are extremely anxious about both the consequences of implement the change and their personal vulnerability in the process of change.

Managers are right to recognise the implications of making changes – change management requires knowledge and expertise in its own right. Such expertise can be

taught and with time, managers can become highly competent in implementing successful change – highly credible statistics for one's CV!

A good development training programme can furnish the manager with the understanding and techniques in process improvement, and a strategy for implementation. But, the motivation for undertaking this improvement focus must come from the managers themselves. The return on the investment of sending managers on a training event comes solely from their actions when they return to their workplace. Maybe training certificates should in the future only be awarded when the action plans that are always complied at the end of the programme, are completed and measured.

So the case for developing a mindset of Continual Process Improvement is clearly proven, but is this not the role of 'management' anyway? Should employers not reasonably expect a *return* on their investment in the salaries of their managers? Should not a part of this *return* relate to improvements?

Perhaps managers need to prepare to stand up and be counted!

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