LEAN THINKING

Lean thinking and square watermelons have more in common than you may think.

Lean Thinking is often described as a culture of solving problems — a process of continuous improvement and a search for excellence. It creates more value and increases responsiveness to your customer's demands by continually searching across an organization for activities that don't add value. I have found that corporate culture has a significant impact on process improvements and how organizations develop and improve their core competencies.

Lean Thinking in distribution is an extension of the Lean Manufacturing concepts that gained widespread acceptance in Japan, most notably at Toyota Motors. It extended into the United States as manufacturing companies across a broad range of industries sought out the same dramatic improvements in operations and customer experience. The concept not only focused on eliminating "non-value-added" activities (waste), but also on applying the appropriate problem-solving methods that identify the root-causes of the barriers and obstacles to increased performance. Lean Thinking also utilizes performance metrics as a way of measuring continuous improvement. The mind-set that's encouraged through forming and employing Lean Thinking problem-solving teams is that your personnel usually know your processes best.

Lean Thinking asks that you think differently about your business processes and use your employees to seize upon new opportunities for eliminating barriers to improved business process performance, reduce non-value-added-activities and foster important team-building skills.

I find that approximately 60 percent of the activities a distributor performs adds no value to customers. Therefore, eliminating those barriers represents a significant potential for performance improvement. As an advocate of Lean Thinking, I often ask my clients to consider whether their opinions and assumptions about a specific problem are tainted by their pre-conceived notions and attitudes. This mind-set can be stated simply as, "That's the way we've always done it." It's a difficult mind-set to change.

Lean practices are not something most of us adopt intuitively. Lean Thinking can impact strategic planning, operations and supply chain management, customer loyalty, performance measurement, benchmarking and core competencies. It challenges our assumptions, habits, creativity, ability to find a better way and beliefs of what is possible and impossible.

One of the simplest of the several key problem-solving methods utilized by members on a Lean Thinking problem-solving team is simply brainstorming. Most effective brainstorming is usually led by a facilitator, possibly from outside the organization, who does not possess those assumptions and pre-conceived notions. Brainstorming, if conducted effectively, can be a powerful tool that leads people to consider process alterna-

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tives that they may not have previously considered.

Let's focus on a real situation. Japanese grocery stores had a problem. They are much smaller than their U.S. counterparts and therefore don't have room to waste. Watermelons, big and round, wasted a lot of space. Would you simply tell the grocery stores that watermelons grow round and that there's nothing that can be done about it? Many would respond exactly that way. But Japanese farmers took a different approach. If the supermarkets wanted a square watermelon, they asked themselves, "How can we provide one?" It wasn't long before they invented the square watermelon.

The solution to the problem of round watermelons wasn't nearly as difficult to solve for those who didn't assume the problem was impossible to begin with. They simply asked, through brainstorming, how it could be done. It turns out that all they needed to do was place the round watermelons into a square box as they are growing, and the watermelon would take on the shape of the box.

This made the grocery stores happy and had the added benefit of making it much easier and more cost-effective to ship the watermelons. Consumers also loved them because they took less space in their refrigerators, which are much smaller than those in the United States. The growers were able to charge a premium price for them.

What does this have to do with anything besides square watermelons? There are a few Lean Thinking lessons that you can take away from this story that could help you to launch a Lean Thinking initiative within your own organization. Here are a few of them:

Don't assume. The major problem was that most people had always seen round watermelons so they automatically assumed that square watermelons were impossible, before even thinking about the question. The assumptions that you have had forever — the ones you make without even realizing that you are making them — can take on the aura of the round watermelon. You may not even take the time to consider if there is another way to do it. The Lean Thinking problem-solving methodology can break your organization from making these faulty assumptions to begin the search for new and better ways do things. What seems perfectly logical on the surface often must be questioned.

> "Creative brainstorming requires looking at a problem from alternative perspectives."

Question habits. The best way to tackle these assumptions is to question your organization's habits. If you question the way it does things on a consistent basis, you will find the organization can continually improve the way it does things. It's a never-ending process of continuous improvement in search of operational excellence. By doing this, you can consistently strive toward making all aspects of your organization more effective and performance-metric driven.

Be creative. When faced with a problem, simple and effectively led brainstorming fosters creativity in looking for a best solution. This often requires thinking outside the box. Many people with whom I shared the watermelon story thought they were being asked how they could genetically alter watermelons to grow square, which would be a much more difficult process to accomplish. Through effective brainstorming — looking at the question from alternative perspectives — the solution was quite simple. Creative brainstorming looks at things in different ways and helps organizations find solutions to many problems where they may not normally be seen. It's a Lean Thinking skill that builds upon itself.

Look for a better way. The square watermelon question was simply seeking a better and more convenient way to do something. The stores had discovered a problem they were having and asked if a solution was possible. It's impossible to find a better way if you are never asking the question in the first place, no matter what the barrier or obstacle to increased performance is. Lean Thinking problem-solving teams are by nature charged with the responsibility of asking, "Is there a better way we could be doing this?" Most often than not, there is.

Impossibilities often aren't. If you begin with the notion that something is impossible, then it obviously will be. If, on the other hand, you decide to see if something is possible or not, then through the appropriate lean thinking problem-solving methods, you will find what it takes.

Take away the lessons from the square watermelons and apply them to your Lean Thinking efforts within your organization. Promote Lean Thinking within your organization as a culture and specific tool-set that's just as important as your core business strategies. ■

With more than 35 years of business management experience and 19 years as a management consultant, Howard W. Coleman, principal of MCA Associates, Derby, Conn., has also held corporate management positions in distribution, corporate enterprise software implementation, materials and inventory management and customer service. He has written many articles on distribution and manufacturing topics in industry business publications. Contact information: (203) 732-0603; e-mail at hcoleman@mcaassociates.com; *Web site:* www.mcaassociates.com.