

Why do so many Lean projects fail to deliver?

Applying Lean to the complete end to end Value Chain

Deploying Lean in the form of a Lean Improvement Project is a proven way in which businesses can improve both processes and business performance.

These can be:

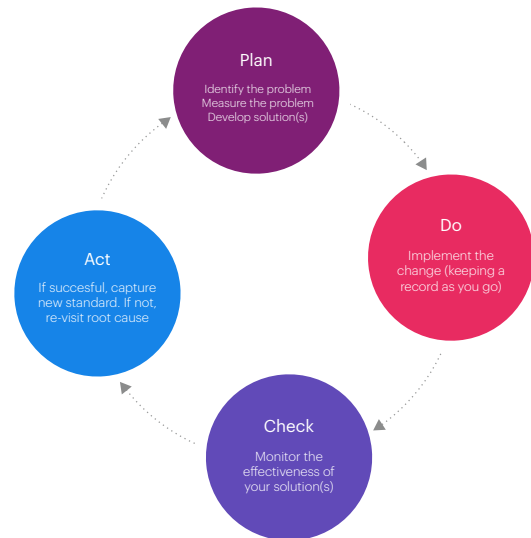
- Large scale Improvement interventions focused on significant Cross- Business Processes (Lean or Six Sigma approaches)
- Smaller scale interventions or Rapid Improvement Events focused on specific Divisional/Departmental Processes
- Establishment of a Continuous Improvement ethos within an appropriate framework (Lean Daily Management System®)

Utilising a variety of methodologies around a common theme, such as:

- DMAICT
- PDCA
- Rapid Improvement Events
- Kaizen Blitzes
- 8D
- 5S
- 3C

So why is it that these projects often fail to meet expectations?

While we may get an improvement in the performance of the specific process we have focused the Lean Project on, this frequently fails to translate into more relevant business performance improvement.



So, what goes wrong?

The reason can be the way we identify and select our projects in the first place.

By starting with a problem like:

- It's too costly
- Quality is poor
- Its late
- It's taking too long
- We've had complaints
- We are inefficient
- Its unsafe

We constrain ourselves to specific processes or sub-processes. Business Processes are complicated and become more so when we start to factor in Customers; Customers and their Customers; Suppliers and their Supplier's Suppliers etc.

Our Lean Projects are usually focused on only one part of our business and the inevitable conclusion is that we will only get significant (and relevant) improvement if we are lucky.

So, what should we do?

We should make sure that we understand the overall end to end value chain sufficiently enough to enable focus to be placed on improvement efforts that concentrate energy on the specific areas that are holding back the business.

1. We should start by identifying the key Value Chain in amongst the other processes/activities
2. Understand the way work flows through the specific value chain – make it visible!
3. Collect and analyse data – where are the constraints/bottlenecks that inhibit the performance of the value chain
4. Deploy Lean – focus a Lean improvement project on the specific bottleneck(s)/constraint(s) identified

Conclusion

So, in conclusion to ensure your Lean Projects not only improve process performance but also positively impact business performance, we need to make sure we choose them correctly.

To further support this process here are some top tips:

- **Collaborate** – internally between functions, externally with customers & supply chain
- **Don't** try to define the complete end to end value chain to the nth degree. You need enough detail to identify the constraints only
- **Focus** on the 'big picture' – don't get drawn into the detail
- **Concentrate** on the specific value chain – avoid scope creep
- **Use Lean tools** to help increase understanding – (e.g. Value Chain Mapping; SIPOC; Quad of Aims, etc.)
- **Data is King** (as long as it is accurate & appropriate – check the source!)
- **Don't try to 'boil the ocean'** – Macro change is tempting but can be unrealistic



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Arran has 20 years' experience of working in the field of improvement, the latter part specifically in the construction sector, where he has worked on a wide variety of projects in various sectors of the industry such as Housing (building, Estate management), Highways, Water (Clean and Waste), Rail (HS2), Education, Healthcare, prisons, nuclear, building refurbishments and regeneration projects to name a few.

Bourton Group has supported many businesses from a wide range of industries to implement Lean improvement techniques via tailored engagement programs.

We work collaboratively to deliver on efficiency objectives and targets, with returns on investment of over 20:1 being reported, along with wider benefits of reducing waste, decreasing time to complete activities and improvements to quality – all of which have been directly attributed to Lean.