

# LEADERSHIP SUMMIT & INDUSTRY EXPO

RIA's 66th ANNUAL CONVENTION



## TRIM THE FAT!

**How to make your Business more  
Lean and Profitable**



**MARCH 8-11, 2011  
THE BROADMOOR  
COLORADO SPRINGS, CO**

# Origins of Lean

Can't talk about Lean without mentioning  
Three Men

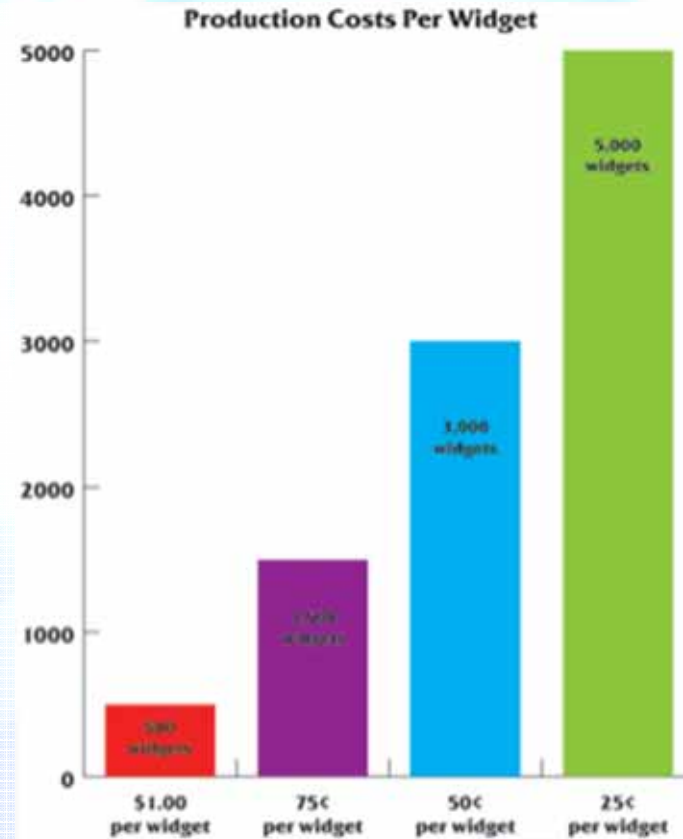
1. Henry Ford
2. Deming
3. Taiichi Ohno

“Toyota Production System”

# Necessity is the Mother of Invention

- Toyota – bankrupt from post war loss, driven to develop technology to survive.
- The end of the Maxcy – Silberston curve...
  - The cost of an auto decreases drastically in proportion to the quantities produced.

# The More You Make, The Lower The Cost



# Two Pillars of Lean Thinking

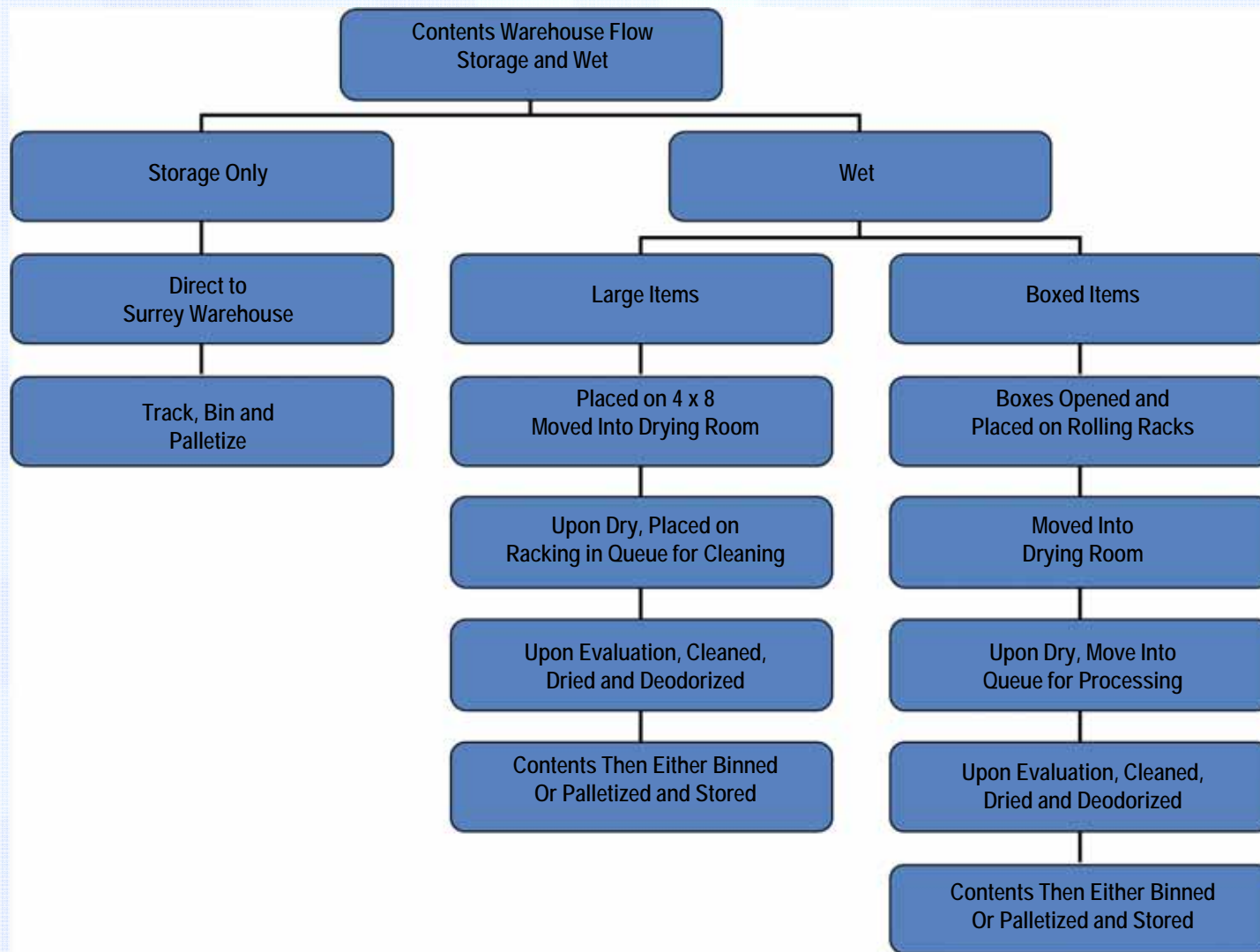
- Just in Time
- The right part (or person) gets where its needed exactly when needed, in the exact quantity needed = 0 inventory
- Autonomation
- Standard work procedures producing no waste, no over production, no mistakes...Automated Excellence

# Five Lean Principles

- Specify Value from the customers perspective
- Take only those actions that deliver that value
- Make the value creating steps flow
- Do that work at the pull of the customer

# The Five “S” Philosophy

- Sort – remove all unnecessary items from work site
- Set in Order – a place for everything and everything in its place
- Shine – maintain a clean jobsite, clean daily
- Standardize - standardize best practices
- Sustain – maintain practices of the above 4









# The Opportunities (and their challenges)

- Collaborate....really collaborate  
vs. We design it one way, you build it another
- Optimize the whole  
vs. Bunker and Silo mentality - Divisional Separation
- Projects (Businesses) as a network of commitments  
vs. the usual commitment phobic style of communicating
- Increase relatedness  
vs. Everyone is out for his own self interest
- Tightly couple learning with action  
Learning, doing, learning, doing, learning, doing

# The Eight Wastes

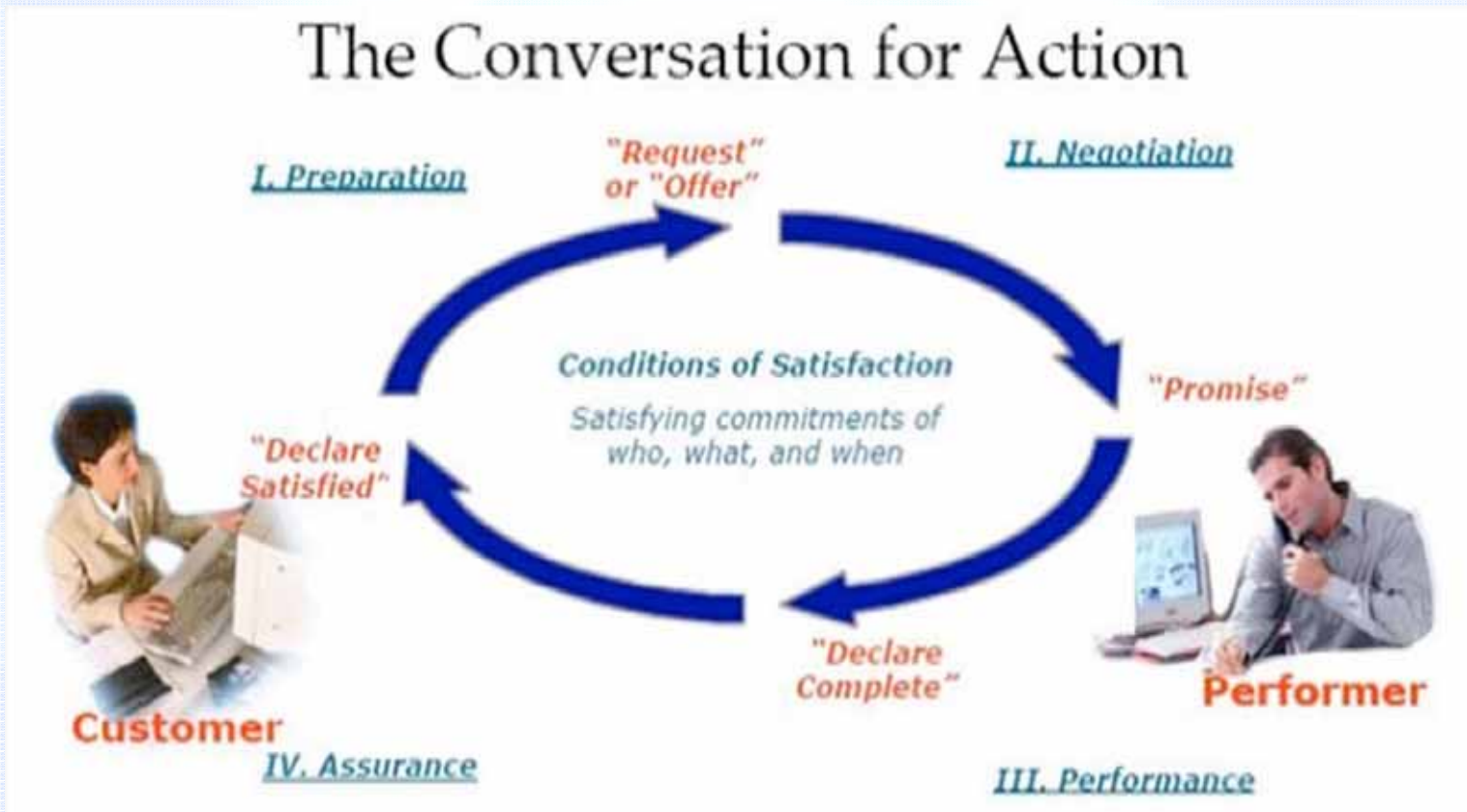
- Overproduction ahead of demand
- Waiting for the next production step
- Unnecessary transport of materials
- Over processing due to poor design or tools
- Inventories - Unnecessary movement by workers
- More than the absolute minimum
- Production of defective items
- Goods or services the customer doesn't need

# The Ninth Waste

- Not Speaking...Powerfully
  - No commitment
  - Not located in time
  - No accountability
- Not Listening - really listening
  - Can you trust that it will happen?
  - Is it going to happen the way you want it?

# Conversation for Action Loop

## The Conversation for Action



# Six Week Look Ahead Constraint Log

- Collaborative tools
- Saves Time – time is money
- Control and manage customers expectations
- Additional examples of Lean





## Lean Thinking: Just In Time:

*The right person gets to the right spot with the right materials and equipment to do exactly what is needed. Take only those actions that deliver.*

## Commitment:

*Sales produces the first ten days of scheduled accomplishments and communicates the critical thinking required by the lead to achieve or better the outcome.*

January 20, 2011

Master Schedule For Howard

Job # 11400

Lead: Elvis

### Day 1- Kitchen

- Protect floor
- Set reused appliances in garage (leave refer in place may be good idea)
- Demolition cabinets and counters into trailer
- Organize and prep for electrical
- Call for day 3 inspection
- Confirm the stucco guy for day 3 work (should have already scheduled)
- Confirm Drywall finisher day 3 (should have already scheduled)
- Confirm Template on day 5 (should have already scheduled)

### Day 2- Kitchen & Bath

- Run needed electrical
- Demolition Kitchen window frame opening (downsized and centered into existing hole), paper the opening and install the window

•Demolition of the bath window and install

### Day 3- Kitchen

- (Sub) Stucco guy starts windows- done in three days
- Inspection of electrical- morning
- Insulate cavities
- (Sub) Hang sheetrock and start finish drywall
- Prep cabinets and appliances for install- start

### Day 4- Kitchen

- Install Cabinets
- (Sub) Drywall finisher- Done

### Day 5- Kitchen

- Install cabinets- Finish
- Set Sink in cradle for template-if under mount (owner provided sink)
- (Sub) Template tops

### Day 6

- Install oven
- Install micro hood
- Install dishwasher
- Demolition bath walls, paper opening leaving shower usable, prep for next day

### Day 7

- Demolition shower faucet & install new
- Demolition tub and waster and overflow and install new
- Hang rock prep for installers
- Demolition light bar, med cabinet, cabinet and floor
- Floor should ready for tile man on day
- Remove and reset toilet for use that night
- Prep for use that night
- Set Vanity

### Day 8

- CMP Installs walls & Top
- Template mirror and order
- Install ceiling light
- Inform client no use of shower or sink

### Day 9

- Tile Floor
- Set Toilet
- Inform client about toilet use

### Day 10

- Grout Floor
- Set toilet

### Day 11

- Plumb sink
- Install mirror
- Install base
- Install Bars
- Finish out bath 100%
- Schedule Final Inspection based on counter install

### Day 12

- Install tops
- Install kitchen cook top
- Install kitchen sink
- Final Inspection

### Day 13

- Buffer day to button everything up

# Inspirations to Action

## Three Workshop Opportunities

- Communication
  - The basics of Powerful Communication
- Lean Project Management
  - Lean tools to get work done on time profitably
- Leadership
  - A study of the elements of Powerful Leadership