

LEAN Principles in Practice

Mark Nunez, DVM

Brief History of LEAN

- Developed by Toyota in the 50's
- LEAN is about creating a culture of improvement that is designed to improve efficiency by eliminating wasteful/inefficient processes, thus increasing value (what the client is willing to pay for) in the eyes of the client
- It involves everyone from the DVM to the kennel staff
- LEAN takes the focus off of the team member, and puts it on the processes in which the team member functions (removes blame)
- Designed to improve efficiency by eliminating wasteful/inefficient processes by breaking the process down into each individual step, analyzing which are necessary (which provide value in the eyes of the client), which contributes to efficiency, and which are wasteful and should be eliminated.

Why I Decided to Use LEAN in My Practice

- I wanted to move from a top-down leadership style to one of collaboration
- It took a lot off my plate and decreased the stress of leading. I don't have to have ALL the answers!!
- Gives the team a voice and gets buy-in because they come up with solutions. At the very least, they feel that their opinions and feelings have been heard. Reasonable people do not need to get their way all the time, they just need to feel that they have been heard and taken seriously.
- Gives the team some insight as to how difficult it can be to make decisions and all the things that go into making these types of decisions.
- 30 heads are better than 1! There will be insight and ideas you could never have considered from your perspective.

How I Applied/Implemented LEAN

- We had a staff meeting and I introduced everyone to the LEAN concept and went over the history of how LEAN came to be.
- My focus was two-fold.
 - 1) This is the way for everyone here to have be heard. You guys are the ones in the weeds, seeing processes and policies that can be improved. The ideas the team has will likely be better than the leaders that are not performing these duties personally on a day to day basis, and we are just seeing the problems that arise from inefficient processes.
 - 2) This is a way to improve the client experience and improve client retention and word of mouth.

Results

- EBTIDA is up 4% this year
- We have grown 15%/yr for the past 3 years
- We have the highest staff retention rate out of 56 hospitals
- Meeting payroll budget
- Decreasing COGS, percent decrease has been difficult to iron out because both hospitals numbers are lumped together

How Do you Make Decisions?

- Need a structure for this
- What is your why?
- Mission statement

- Vision statement
- Eliminates the potential for people positioning decisions based on personal gain/manipulation
- Analyzing The Value Stream Map
- A3 Problem Solving (Plan, Do, Check, Act Cycle)

LEAN vs. Suggestion Box

- LEAN is NOT a suggestion box!
- Suggestion boxes are generally viewed as useless by the team. They may start out active, and many times the team eventually stops using them. I believe this to be due to two reasons.
 - 1) Only the leadership team is involved in discussing the suggestions and they are the ones who come up with the solutions.
 - 2) The team is not involved in the process, and they will not feel heard and understood.
- With the LEAN board, everyone is involved in the discussion of the potential issue as well as the solution to the issue. Instant buy in!!! Even if someone does not agree, they are MUCH more likely to get on board with a solution if they feel heard and if they have witnessed the process of how the solution came to be.

LEAN Board

- The LEAN board has four categories: Ideas, To Do, Doing, and Done
- All LEAN cards start in the Ideas column. To begin, the ideas cards are discussed and a decision is made as to which ones have the highest priority and should be worked on. These are then placed in the To Do column, or maybe in the Doing column if a solution is fairly simple and easy to agree upon.
- Consensus decisions are often at odds with intelligent decisions and often lead to mediocrity. Also, in most cases, a decision is better than NO decision. You will not get everyone to agree, and this should not be the goal. The goal is that everyone is HEARD.
- If you have difficulty getting a staff meeting agenda together, here is the agenda!

LEAN Cards

- Format – On the LEAN cards, the following information is included: The problem/issue at hand, the potential solutions to the problem, the proposed/potential outcome of resolving the problem, the persons initials who posted, and the date the card was posted.

A3 report

- Format - Categories on the A3 Report are: Title, Owner (person who initiated), Date, Background, Current Conditions, Goals/Target Condition, Root Cause Analysis, Countermeasure Proposal, Plan (who, actions, when), Follow Up
- Annually we review the reports to insure we have stayed on course with changes, and to insure the changes made are still the best solution

How Do We Discuss the Cards?

- As a structured, non-confrontational way to institute change
- Initially they serve as the agenda for the staff meetings
- They have evolved into being part of the staff meeting
- We now alternate staff meetings where we are all together with department staff meetings as many of the topics we are now discussing are department specific

LEAN – The Ultimate Collaboration Tool Worksheet

Mark Nunez, DVM

OBJECTIVES

- Learn to effectively implement change
- Get team buy-in
- Learn how to involve everyone in the decision-making process
- Create a culture of improvement

TOOL KIT

SUPPLIES NEEDED

- 4 x 6 index cards
- Large corkboard
- 3-ring binder
- Thumbtacks
- Electrical tape

WHAT GOES ON THE LEAN BOARD

- Problem/Concern
- Proposed Solution
- Proposed Outcome
- Who Posted
- Date Posted

HOW TO SORT LEAN CARDS

- All cards start in the IDEAS column
- Leadership team decides on priority (which cards to address first) and moves them into the TO-DO Column
- The entire team discusses the cards in the TO-DO column and helps to come up with a solution
- The card is then moved into the DOING column and the solution is tested for a period of time
- Once a solution is final, the card is moved to the DONE column to await transfer to the A3 Report
- A3 Reports are placed in a 3-ring binder and are periodically reviewed

KEY POINTS:

- Provides a structured, non-confrontational way to implement change
- Gets team buy-in and engagement
- Makes life easier and less stressful
- Increases value in the eyes of the client

WHAT'S NEXT?

- Set SMART (Specific, Measurable, Achievable, Relevant, Timely) goals. Who will do what, by when, and how will you measure it?

-
-
- Monitor who is contributing, and engage those that are not
 - Lead by example, put ALL of your ideas up on the LEAN board
 - Anytime someone comes to you with an idea, or a thought, have them put it on the LEAN board
 - Monthly follow up in Workplace accountability group and/or Zoom meeting

