Committing to improvement

In the first of a new regular series of columns, Paul Brauss outlines how to create a business culture of continuous improvement

While preparing for a speaking engagement at the Printing Industries of America Continuous Improvement conference, I was approached by several leaders on the topic of energizing a continuous improvement initiative inside their companies. I believe the information we discussed is now more pertinent than ever in the fabulous industry of label and package printing.

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Most label printers reported real growth in their segments in 2020 while dealing with the continuing problems of regulations, Covid protocols and resource planning, including people management and new technology and equipment investigation. Several improvement initiatives were unfortunately placed on the back burner or simply abandoned, as the task seemed daunting at a time when critical resources were stretched to their maximum.

It is precisely at this time when traditional thought processes have to be challenged, and continuous improvement be structured as a tool to enhance business management as opposed to a 'project' that adds burden to the process. When processes are stretched to their breaking point is exactly the time to implement a fundamental management shift to the approach of improvement. Each of the business leaders confided in me that their teams were having serious problems completing improvement projects and gaining the advancements higher business levels can lead to. Specifically, margins were

not improving and the work was being completed at extra costs for overtime, expedites, and often quality issues.

These leaders were feeling quite overwhelmed and a little guilty. They felt like they had hit a wall on the improvement front and were stuck wondering what steps to take to get to the next level of performance. I listened as they talked of one problem after another. Several had not kept up with equipment modernization plans and those that had purchased digital equipment early were second-guessing their vendor of choice. The common theme was the increase in demand had impacted 'on-time' performance as customers demanded shorter and shorter lead times. Their ability to produce the short runs on newer materials was exacerbated by old equipment not suited for their ever-changing production model.

One common theme of the discussion was that the leaders found their companies' predicaments made it more difficult to manage and harness the improvements that were expected. Few were finding time to enjoy the success of the business levels. Another common theme was they all saw so much more potential in the market despite the competitive forces, but couldn't continue the personal pace of activity and were looking for answers to employee engagement, responsibility-sharing and risk mitigation.

Focus
Every one of the leaders recognized they had great people in their organization, but getting the right focus was going to require a management commitment they could support. I explained to the group they were more fortunate than they knew. The workforce of today is looking for more engagement, understanding and visualization that will lead to their ideas becoming implemented and provide a sense of community in the organization. The employees of today are looking for leaders to share much more about the business, including the strategy and the barriers to achieving it. They want to understand the meaning of success and they want

> ### *Dare to improve your legacy*
> Paul Brauss' recently published book, 'Dare to improve your legacy', available on Amazon, highlights a label and package printer's journey with continuous improvement as a methodology for educating the business' next generation of leaders. See https://amzn.to/2NFzXkB.

customer interaction. The question for leadership is, 'Have you developed your people and instilled trust so they understand what the problems are, what the strategy is, and that they are equipped to develop action plans on their own to advance the strategy?'

As with most organizations, they admitted to selling their people short and that they had to find a better way to utilize their teams. They did not deny they had to be willing to change the thought process and engage employees from every level of the organization. We all recognize that improvement needed in our organizations requires a cultural shift. Most of the effort is finessing the business model with a substantive commitment to using talent that is probably dormant in action today. The best way to find the areas of opportunity may include your leadership team to work side by side with an outside catalyst who shows up with you and your team daily until they internalize the new routines. There are seven keys to be focused on. I'll touch on them briefly here and then expand on each topic in future editions as part of our series on continuous improvement.

Step 1: Define and communicate your strategy. Many business leaders believe their employees have a basic understanding of their company strategy. I've learned there is often a gap in intimate knowledge that could change the course of action in a company. For example, can your employees tell you what your customers value about your relationship above all else? Can they

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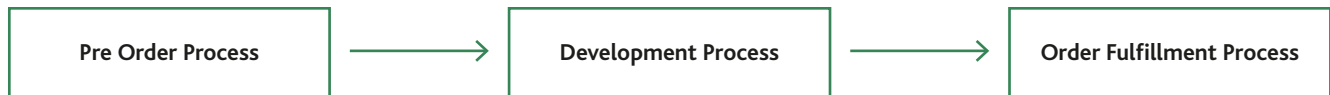
articulate key company goals and the key business process focus? There are some great strategic tools available to businesses today but it starts with customer intimacy.

Step 2: Align your leadership team to the business processes. A company focused on business process doesn't overthink who works for who. The driving concept is a focus of leadership on process performance responsibility and focuses on process quality. Having a focus on business processes keeps a lot of little problems from turning into big problems. A macro look of processes typically relates to a simple set of three boxes and the handoff of high-quality information from one process box to the other was the responsibility of the process leaders.

Step 3: You must have aligned metrics. There is no shortage of measurements in any of the businesses I have visited. Are they the right metrics and are they encouraging the behavior you want from your people and – even more important – do they line up with your strategy? Earlier I said most strategies are not an intimate part of knowledge in the organization. Hence, metrics may not communicate focus.

Step 4: Foster involvement and accountability. Many leaders think this is their primary job. This is partially correct, but getting decision-making and action to lower levels of the organization is paramount. Companies must move from a top-down approach to an approach where people are telling leadership what is going on. The organization needs the president as a supporting resource supporting their activity not driving every decision.

Step 5: Use kaizen for rapid improvement. Rapid projects of improvement need clear charters that have a defined start and stop for an immediate result. Many companies start here and then often wane after some time because of a lack of commitment to the lean management process.

Step 6: Be visual. A production plant is one of the single best marketing tools a company has that demonstrates its capability. It must be clean, orderly, and have visual, current and understandable metrics. More importantly, leaders being seen on the floor – the Japanese lean manufacturing term 'Gemba' (go and see) – is a huge part of transforming a company.

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Step 7: Starts control. Many business leaders have no problem starting projects but then they dilute efforts by starting more projects before they finish the first. This is called 'starts control issues'. There is a math equation to support this statement.

> **DCT = AIPs / OUTs**
> **Dynamic cycle time = actions in process / completions or outs**

Don't let this equation discourage you because most leaders hate math. The concept is simple. Reduce the numerator and concentrate improvement activities on the denominator. The concept is not new, but many leaders lose sight of the discipline process to manage time. It starts with a statement of exactly what your project scope is so that your team understands the limits of their focus. I call this the charter. From a high level, the executives manage how many of these projects get started and assign a heavier concentration of resources with a limited time to completion. (If you understand kaizen then you apply this all around the company.) Most leaders will quickly recognize they have started too many projects without crisp definitions of focus and completion. My counsel is to backlog all but a few of these projects and only activate a new one when one of the previous projects is completed, and make sure there is a firm charter defining the focus.

Willing to change

The leadership has to decide if they are willing to change their behavior and commit to a process that engages people in the organization. To achieve a culture of excellence, leadership must

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be willing to invest time in people to get them fully engaged so they are extensions of the desired company culture. Help them achieve confidence in themselves so they step forward. The seven steps I outlined will make any company better: just months after committing to the transformation, each company that has engaged this approach has reported substantial sustained improvement. The focus will drive improvement and bring higher value to customers and employees, and provide personal gratification to the organization.

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