The Tours and Journey of 2 Second Lean
by Bob Zaruta, President/CEO, NWIRC

As NWIRC prepares to launch another Lean Together™ cohort in early 2020, we are reflecting on some of the numbers from the first two years of the program. The most staggering statistic is that the 35 participating companies averaged $1.27M in impact from the program.* We had companies of all sizes participate, in fact, 48% were under 50 employees and we had some over 300 employees as well. Some of the qualitative successes of the areas not easily measured are simply comments from companies about their overall improved culture, that employees are more engaged, and they are working together as a team to make ongoing improvements, every day. Lean Together is a collaborative learning program that focuses on concepts from the book, 2 Second Lean, by Paul Akers.

Several of the manufacturers I visited last month are companies who have adopted ‘2 second lean’. I stopped by SEPCO, located in Erie, several weeks ago during one of their daily stand-up meetings. They’ve been doing these meetings since participating in our first Lean Together cohort several years ago. They continue their fifteen minute stand-up meetings with a specific agenda, including ‘gratefuls’, financial benchmarks, updates on recent improvement(s), engineering updates, and special announcements. On this day, employees updated each other on re-labeling a box in a specific area for better organization and gave the status of the robot maintenance. Exciting new orders were mentioned, as well as updates on several quotes. SEPCO’s Owner/President, Dan Ignasiak, also provided announcements for the next day’s schedule, including a visitor who would be at the company and the fact that he would be traveling to visit a “manufacturing hero” in Cleveland. The meeting was very short and sweet, but it connected the entire SEPCO team to keep everyone going down the same path. In fact, he told his employees that many are surprised to learn that SEPCO has no frontline managers. Dan knows that communication and teamwork are critical to improving SEPCO’s competitiveness. A sign in the lobby listing SEPCO’s ‘Basic Rules of Conduct’ says it all with the last item, “If you need constant supervision, please find a job somewhere else.”

I also recently tagged along as the Lean Together 2.0 group visited Viking Plastics in Corry. We were able to attend one of their daily ‘drumbeat’ meetings (held every day for each shift). Just visualize a large green rectangle painted on the shop floor with the eight wastes listed around the edges. Viking employees stand around the perimeter participating in a brief discussion, led by an employee, about company financials, the eight wastes, new 2 second improvements, and ‘thankfuls’ (both work-related and personal). President Kelly Goodsel and Engineering Manager Shawn Gross both talk about these meetings as being the center point of getting everyone moving in the same direction. Shawn said seven years ago when beginning the meetings, it was very important to train everyone to name and see the eight wastes. Now, their employees identify waste, often have ideas to fix it, and share

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at the daily meetings. When talking with the Lean Together group, he emphasized the importance of leadership to be able to name the 8 forms of waste. Viking began their journey with 2 second lean back in 2011 after discovering Paul Akers. Soon after, the company implemented Viking Academy and started their drumbeat meetings. Viking has been a gracious host to many of our Lean Together working groups so participants can see first-hand the impact that developing this culture can have and that it is indeed sustainable. Shawn’s advice for his guests that day was that whether a company is just now reading the book 2 Second Lean or has been focusing on these concepts for numerous years, like Viking Plastics, you need to start small and keep setting new challenges—“It’s a journey”.

*Source= Client reported impact through surveys conducted by a NIST MEP third-party and NWIRC.

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**A Framework for Becoming a High-Performance Organization**

by Max Krug, Change Management Specialist, Future State Engineering

Often when companies start working on improving their business, the process does not go very far. They may be lacking a fundamental system and a formal approach where current paradigms are challenged and various components of the organization are taken into account and are built into a logical action plan that actually works.

For any person or company to engage in the process of change, the first step is to understand their ‘current reality’. To understand a current reality, we analyze entire systems or organizational problems at once by identifying root causes common to those problems. Organizational problems are often caused by misalignment of goals between departments (i.e. the actions of one department having negative effects on another department).

Identifying root causes entails a comprehensive understanding of how the company currently operates, such as determining how well employees understand their work process, their functions, and their internal customers as well as effectively measuring employee performance. The output of such understanding will be the negative effects and the corresponding root causes which define ‘what to change’ in the current reality.

With an understanding of the root causes of the organization’s issues, we move towards defining the ‘future reality’, the desirable outcomes that define what a high-performing company will look like once systemic problems are identified and addressed with injections into the current reality. The foundation of every high-performing company is having a ‘stable system’. Dr. W. Edwards Deming defined a stable system as a system that does not have any special causes (or assignable causes) of variation present, and all the variation in the system is from common cause (or inherent) variation; in which variation is defined as the difference between the expected result verses the actual results that you get from performing a process.

Having a stable system means that the time to complete all the processes in the system (the value streams), however defined, from start to finish, is highly predictable. In order to be highly predictable, the system must be free of special causes of variation. For example, special causes in variation in operations can come in many different forms, some being easy to identify and some not so easy to identify. Some of the typical easy to identify variables that I have classified as special causes would be: lack of supplies due to late deliveries from vendors or subcontractors, unplanned process downtime, and quality issues. These types of special causes can be easily addressed by the application of Lean and Six Sigma techniques to reduce or eliminate the causes. On the other hand, some of the ‘not so easy to identify’ issues that I have classified as special causes would be: processing easy jobs at the expense of the harder jobs, jamming rush jobs into the system without consideration of capacity, batching jobs together in order to be “efficient”, pulling jobs ahead to ‘save’ or reduce setups, increasing the order size ‘just-in-case’, expediting and forcing changeovers to the newest ‘hot list’, or bad multi-tasking. Dealing with these issues is much more difficult to correct because it involves behavioral changes from the people within the organization. From my experience, the behavior modification is one of the most difficult changes to make within an organization, and in

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addition, it is typically these behaviors that most contribute to instability in operations. In a high-performing company, it is very important to first achieve stability (eliminate the special causes of variation) before attempting to focus on improving operations.

**Side Note:** Max Krug will conduct Operational Excellence workshops across the region in 2020. Here is the current schedule: March 10, DuBois; April 21, Erie; and May 12, Grove City. More details at www.nwirc.org/events.

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**Improve Your EQ**

by Susan Hileman, NWIRC Strategic Business Advisor

When working with companies on improving culture, topics often requested are along the lines of Leadership Skills, Effective Communications and Generational Diversity. It’s not uncommon to hear comments such as “Well, Joe’s the boss but he and John don’t really get along, because Joe can’t seem to make decisions. It creates problems for the team to work together.” So, what can you do to improve this?

We all know co-workers who have great relationships with others on the team. They are friendly, show an interest in each person’s professional development and are supportive and encouraging about their growth both as an employee and as a person. They are a great example of team leaders we want to work with and for! Many of us however have also been exposed to other kinds of bosses and co-workers who, while they might be very intelligent, at their best they are unapproachable or unwilling to hold others accountable. And, at their worst, wreak havoc with the team through power struggles or angry outbursts. It can be extremely stressful to work in that type of environment, eventually contributing not only to professional disruptions but also a variety of health issues. Patrick Lencioni described this in “The Five Dysfunctions of a Team” as an absence of trust, fear of conflict, lack of commitment, avoidance of accountability and inattention to results—all which can easily ruin team efforts.

Emotional Intelligence, or EQ as it’s known, is the ability to recognize both our own emotions and of those around us. It’s being able to discern between these different types of feelings and use the information to manage and guide our own thinking and behavior whether through conflict management or persuading others on your team why your idea will work best! Like all communication-based efforts, EQ is a skill that can be learned and improved upon! What can you do to improve your EQ, strengthen personal relationships with your co-workers and achieve greater career success on both a personal and professional level?

- Take responsibility for your own feelings and actions
- Learn how to engage in unfiltered conflict around ideas
- Respect and validate other’s feelings—even if (or, especially if!) different from your own
- Hold each other accountable
- Build trust within your team through honesty

Emotional intelligence (EQ) is not about being emotional. It is about learning to be aware, acknowledging the emotions and allow them to guide your thinking and behavior. Growth doesn’t just happen, each person must take responsibility for themselves because no one else will do it for you.

**Side Note:** The NWIRC’s Susan Hileman will be presenting an interactive half-day workshop on Emotional Intelligence on Jan 7 in Meadville and Jan 29 in DuBois. Register at www.nwirc.org/events.
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UPCOMING EVENTS

Emotional Intelligence  
Jan 7 and Jan 29  
Locations: Meadville and DuBois  
Emotional Intelligence is the ability to recognize both our own emotions and of those around us. Learn what you can do to improve your EQ and relationships with co-workers - all to achieve a desirable company culture and achieve greater career success.

Root Cause Analysis  
Jan 9  
Location: St Marys  
Discover a disciplined approach to problem solving. Once a root cause is identified and remedied, final system outcomes improve preventing it from occurring again. Learn how to clearly define a problem, develop sampling strategy, collect data, use analytical tools, and strategies to improve a process.

IATF 16949:2016  
Internal Auditor  
Jan 14-16  
Location: St Marys and Erie  
Training of the IATF 16949 automotive standard will provide understanding of quality management principles in context with ISO 9001:2015, along with techniques of process-based auditing with hands-on activities.

ISO 9001:2015  
Internal Auditor  
Feb 4-6  
Location: Erie  
The 3-day course provides a detailed review of the ISO 9001:2015 quality standard. Participants will learn how to conduct an audit, write the audit report, take corrective actions and more.

For more information or to register for training, visit www.nwirc.org