

Creating Alignment with the Leadership Team Conclusion

CLEAR DIRECTION

We have dedicated over one year to our "Creating Alignment" series. It all started with the story below:

Breakthrou

Can you imagine with me for a moment a boat at sea. The boat has all of the horsepower it needs and three times the fuel it needs to get to its destination. However, the rudder is broken. Although this ship has the fuel and horsepower necessary to get it to the destination, it will spin around in the ocean and eventually run out of fuel and never get to its final destination. This is analogous to many teams we encounter these days. These teams have enough people, those people are even energized, but they lack clear direction based on principles.

The challenge for the readers was to answer the question, "How is our rudder? How do we ensure clear direction?" Our hope for you, the reader, after reading all the newsletters in this series, is that you and your team can answer these questions positively with regards to your direction.

Now for a quick recap of the definition of Continuous Improvement and the seven principles that ensure continual alignment of our thinking toward continuous improvement.

Continuous Improvement Is NOT:

Less Employees Are Needed

Continuous Improvement IS:

A system to identify problems and to solve problems utilizing all of one's people.



Defining Terms:

Problem = A deviation from the standard. Standard = A challenging target condition.

Note: A "challenging target condition" is a condition that cannot always be met (so continuous improvement is a part of the Lean thought process). A standard could be defined by the cultural, organizational, or technical work.

The work may reside in the...

- Manufacturing Value Stream (flows from raw material to finished goods)
- Design Value Stream (flows from concept to launch)
- Business Value Stream (flows from order to cash)

SEVEN PRINCIPLES

Below are the seven principles. Having a common understanding of these principles will allow the team to make better decisions going forward. If we want to be a continuously improving, world-class, excellent organization, we need to ensure the continuous, universal application of beliefs (behaviors and thinking). We must also be willing to continually address change, responsiveness, and the organization's ability to improve and adapt to its competitive environment. In order to accomplish this, we must create some principles that become the guiding force behind that universal application.

Long-term Vision

- Meet short-term objectives in a manner that is directionally correct.

Customer Intimacy

- Focus on delivery of value, not just improvement in cost, quality, and delivery.

Embrace the Total System

- Abandon point optimization; focus on flow of value throughout the entire system all the way to the customer.

Process Centered

- Achieve results through brilliant processes, not hero effort.

Obsession for Quality

- Don't accept..., Don't make..., Don't pass on...a defect.

Learning Organization

- Capture all of the learning within the organization to prevent knowledge loss when employees leave the company.

Respect for People

- Challenge everyone to improve.

You can find the entire series in our Newsletter Archives (<u>click here</u>). We hope you have enjoyed this series, and we would appreciate your feedback. Feel free to communicate with us at <u>info@driveinc.com</u>.

Is your organization's rudder guiding you in the right direction? Is your continuous improvement initiative satisfying the definition given above? Is your leadership team aligned to the seven principles? If you answered NO to any of these questions, Drive Inc. can help. We have experienced professionals who can coach your team through the process of gaining alignment around these principles. For a no-obligation introduction meeting, please contact Paul Eakle at paul.eakle@driveinc.com or 865-323-3491. Stay tuned for next month's newsletter when we will begin covering our series on developing strategy with your team.