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## **Phyllis Mikolaitis & John Switzer**

### **Podcast #21 Transcript**

#### **Are You Missing an Opportunity to Strike Gold in Your Company?**

Hi, it's Phyllis Mikolaitis, welcome back to our bi-monthly podcast. I want to begin today by talking about a book I recently read called Three Feet from Gold by Sharon Leichter and Greg Reid. The book includes a scenario about a miner who continues to dig for gold where others had previously dug. Frustrated when he did not strike gold, he gave up and sold his claim for a few dollars. The new miner began his search by some expert engineering research on the mine. And WOW, he struck gold just three feet from the previous digs. You may be just as close to striking gold in your company as the former owners of the claim but, by not doing something called Going to Gemba, you may be missing opportunities for increased profit, improved quality products, as well as employee and customer satisfaction.

What the heck is this Going to Gemba you may ask? Well, it isn't like a walkabout in Australia, but it does involve going to where the action is. Gemba is a Japanese term used in the Lean continuous improvement process. It means the real place.

Great ideas for improvement and savings in your company come from where the action is taking place, not from reading and analyzing reports in the office. Yes, reports and textbooks are important for concepts and case studies. But, only by walking the floor in the factory or office of your company will you gain insights into your processes and get input from your employees about what's actually happening.

A Gemba walk is a very intentional and structured activity that requires management to become immersed in the flow of the product to observe the current status and engage employees in the improvement process.

A Gemba walk is not mean to apply corrective action to employees but rather to eliminate waste, determine process improvements, coaching opportunities,



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requirements for changes in flow, and ensure that employees have the right resources and training to do their job.

To obtain an accurate picture, you must view your workflow process from beginning to end. In Lean, you must also apply measurements to determine the current status and then the degree of success of any improvements. Getting the full picture will probably take several Gemba walks as it can be overwhelming to take in information in every area at once. Some suggest following the flow of your business from order to delivery, making each section a separate Gemba walk. It can take a series of walks in each department to engage employees at each step and observe specific parts of your value-creation process.

Learning how to take an effective Gemba walk takes time to master. You must learn to ask the right questions, actively listen, not look but observe, and understand the flow and the processes. You must sincerely take an interest in learning what is happening. It takes time, patience, and dedication to achieve mastery. However, the gold you reap from it is worth every bit of effort.

Before you ever take a walk, you must communicate to the employees that you are dedicated to creating a Lean culture and that your walks are not for finding fault, but from a sincere interest in what is happening and how you can help make improvements. Let them know that only by observation and dialogue, can you learn about their challenges and frustrations. Buying new hardware or software, or rearranging the manufacturing floor or office before gaining the real picture can mean wasted dollars and time, and it can create employee frustration as well. So, take a walk and get the information first.

Taiichi Ohno, the father of the Toyota Production System, which evolved to become the US Lean manufacturing process, developed a coaching method as a part of his observations. It has come to be called the Ohno Circle. The technique requires you to draw a chalk circle near an area you plan to observe. You then stand in the circle and observe the work processes for an extended period. It is not blank or empty staring but



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rather observation in which you dig through the clutter and ask “why?” five times to get to the root of the issue. When walking the flow, executives find that it is overwhelming to view the whole process all at once so, the Ohno Circle allows you to focus on one area at a time. The process works anywhere: in the factory, out in the field, in the office, and everywhere else. Using the Ohno Circle can help you improve your observation skills.

Another helpful Lean tool is a spaghetti diagram. It is a graphic created using a continuous flow line representing an item or a person performing an activity in a workflow. It can help you identify redundancies and areas where resource placement, or workflow steps can be improved.

Gemba walks are not for manufacturing floors alone. Taking a Gemba Walk also applies to the office. However, instead of walking the production floor or shipping area, you’ll pull up a chair and sit next to an employee working on a computer and observe their work processes. You’ll observe that there is waste in process steps, waiting, replying to requests for proposals, updating catalogs, making changes to terms and condition documents, scheduling patient appointments, billing, sales, creating job tickets, archiving and retrieving documents, and a host of other office functions. The office is an area filled with opportunities for improvement and elimination of waste. Office areas and workflow were not designed like manufacturing areas. They are organic, and they grew and evolved. Therefore, experts agree that they can initially achieve over 50% reduction in cycle time, process time, error reduction, and rework. With continuous improvement, they can equal or exceed Lean improvements in manufacturing.

A factor that makes the simple processes of Lean so challenging is the human resistance to change. For that reason, it is important to promote employee suggestions and take action on them. It is also important to post visual controls in an area frequently and easily viewed. For example, a Gemba walk in a major hospital outpatient testing area revealed that staff did not have full compliance with the requirement for sanitizing their hands after each patient interaction. In discussions with the nurses and doctors, the executive found that the hand washing process required long walks to the sink or



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sanitation station. In the busy area, time was critical. The staff suggested putting sanitation pumps in each patient cubicle. A patient survey for compliance was initiated, and the results were posted at the nurses' station and near the electronic patient processing screen. Signs were posted indicating the benefits of hand washing such as the reduction in infections for both staff and patients. Not only were the excellent results of the suggested change posted, but the staff also had buttons of achievement to wear. In the office or medical facility, there may be strong resistance to accountability and posting of results. But it is important to stick with the plan. If you begin with an island of excellence, areas will begin to compete with one another to be the best. It is human nature so take advantage of it.

What are some of the steps you can take to ensure you have success with your Gemba walks? First, have a plan for your walk. What area will you observe? What are you looking for? What do you hope to accomplish? Is there a customer problem you want to solve? Are you hoping to identify safety issues that can be resolved and be a benefit the company and the employees?

Have a manager brief you on the processes, the people and the outputs of the area you plan to visit. Also, check for the latest information on the work standards, quality and quantity levels, as well as any known issues and customer or safety concerns.

Next, write out your questions and comments that will encourage employees to think creatively about work process improvements. Let them know that you realize they are closest to the process and can provide valuable insights.

Remind yourself to listen actively to employee responses to your questions. This may be a challenge for those of you who are accustomed to people coming to you for advice and problem-solving. Active listening involves multiple senses, not just hearing. Take note of the employee body language. Are they looking you in the eye? Make sure you confirm that you understood what the employee has said by paraphrasing their comments. This type of listening goes a long way toward building trust.



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Take your tablet or mobile phone for note taking or video or audio recording. You can review your notes or the recordings to review what you heard and think about what actions you can take to be of help to that area. A second look at a video along with your notes can help you see things you may not have seen on first look. Ensure employees recording of any type is meant strictly to help you help them. It is not for review and criticism. Share with them it will also help you improve your observation skills and understanding of their issues and suggestions.

When employees see that you have taken time to prepare and you are truly interested in what they do and how you can help them improve their work and processes, they feel valued. They feel connected to the company and its products. As a result, they will strive to provide quality output and improve customer satisfaction.

To help you on your first Gemba walk or to ensure you have been following a structured process and getting the most out of a walk, we have posted two guides in our freebies section of our website. One document is a list of guidelines for a successful Gemba Walk and the second is a list of thought starters for questions. We welcome your suggestions for additions specific to your industry.

After your initial walks, you may find that you want to schedule a Kaizen Blitz or process improvement day to shift everyone's thinking and demonstrate quick results. It's an intense and focused approach to process improvement that combines some of the Lean tools. It works best when focused on one area rather than a company-wide event. You can celebrate the accomplishments of the day by posting before and after photos and having a pizza party or a barbecue.

Remember that Lean is not something that engages like plugging in a new product like a TV. It is journey and one that does not come easily, but the rewards for you and your company are well worth the effort. It is a proven process and change in behaviors that have worked for other organizations, and it can work to bring you success and sustainability. You will be striking gold with the savings from waste and increases in profits.



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Well, that wraps up our podcast for today. Thanks to my producer and audio engineer John Switzer, for his great work with me on today's podcast. Join me next week when I'll share more hints and tips. I appreciate your feedback so please send your questions, comments or topic suggestions to me at [Phyllis@salestrainingolutions.com](mailto:Phyllis@salestrainingolutions.com).

Don't forget to visit our website to get your free resources @ [www.salestrainingolutions.com](http://www.salestrainingolutions.com); under freebies. You can also join our bimonthly newsletter and get our Free eBook on Storytelling: the Secret to Sales Success. The link is on our website next to the podcasts and blog posts.

Watch for our FREE mini-course on Lean in the first quarter of 2018. It is absolutely Free and filled with tools, tips, and resources to help you achieve success.

Well, Bye, bye for now, Happy Holiday and Best Wishes for a successful and prosperous 2018!

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