Transforming From The Inside Out and a little upside down

Norbert Majerus, Lean Champion

The Goodyear Tire & Rubber Co
Thank You!!!

www.thebodytransformation.com
Key Messages

• Successful lean implementations change the people and the process
• The people who do the work must be engaged to improve the work
• Respect for people assures the engagement
• Leaders support is insufficient – they must change
• The lean change agent plays a crucial role – a little education goes a long way
GENIUS AT WORK
DO NOT DISTURB
ENGAGE
So what is your biggest challenge?

In an effort to speed up our root cause analysis process, we have incorporated something similar to what you see at drive-thru restaurants. Here comes someone now. Let’s see how it works.

Hmm...I'll take the No. 5, please.

We're sorry. That item has been discontinued. Please choose from one of the other options.

#1 Industry answer – management support - is overrated at best

Mike Crossen
My Answer - Why lean initiatives struggle:

Organizations, cultures … do not change: People DO

What in your company cannot be copied???
(my) Desired State

Ideal State

FOUNDATION

CONTINUOUS IMPROVEMENT

RESPECT FOR PEOPLE
Current State

Average of 70% of people are not engaged*

Agenda

• Inside OUT Transformation
  – The Change Management Process
• Upside Down Leadership
• ME – the lean change leader
Top Down Transformation

Which one is more successful?

Bottom Up Transformation
Top Down Transformation

What about now

Bottom Up Transformation
Inside Out Transformation

Go to the people. Live with them. Learn from them. Build with what they have. But with the best leaders, when the work is done, the task accomplished, the people will say: “We have done this ourselves”

Lao Tsu – Founder of Taoism (6th century BC)
Who is the best positioned to make recommendations about changing the work people do?

It is easier to teach the process experts the lean principles than it is to teach an outsider the process and the culture.
Inside Out Transformation

1. Learn the principles
2. Teach the principles to the people who do the work
3. Engage the people and coach them through the transformation
4. Help sustain the gains
Goodyear 11 Steps to a Lean Culture

1. Do your homework
2. Get leverage
3. Engage the right people to lead the change
4. Develop a vision and make plans
5. Get support
6. You cannot overcommunicate or overtrain
7. Deal with resistance
8. Engage the employees
9. Do good things and talk about them (German proverb)
10. Remember PDCA (Plan/Do/Check/Adjust)
11. Sustain the change
Union calls a strike at Goodyear
Walkout affects about 15,000 workers at 16 North American tire plants.

October 5 2006: 4:00 PM EDT

NEW YORK (CNNMoney.com) -- Some 15,000 members of the United Steelworkers went on strike at 16 Goodyear Tire & Rubber Co. plants in the United States and Canada Thursday after the union rejected the company's latest contract proposal.

The union terminated its contract at 1 p.m. ET Thursday, saying that it could not allow additional plant closures after it helped keep the company afloat through cost-saving measures three years ago.

"The company left us with no option," Steelworkers union executive vice president Ron Hoover said in a prepared statement. "We cannot allow additional plant closures after the sacrifices we made three years ago to help this company survive."

The strike involves 12 plants in the United States and four facilities in Canada, Goodyear said.

"We have 9 union facilities that are still operating, and we will operate with salary workers at effected facilities," a company spokesman told CNN.
Communicating From The Inside Out

- We will start a lean initiative in R&D. It is called lean because it uses less of everything we do. Next week you will be invited to a training session – please sign up when you get the invitation. We need to save significant money in R&D to remain globally competitive and we need everybody’s engagement.

- R&D work can easily be outsourced and there is no shortage of talent in counties like India and China. In order to compete in a global economy, we must become the best at what we do and how we do it. Lean thinking has done a tremendous difference in our manufacturing operations and has been proven to be equally effective in many other R&D organizations. Next week we will start to engage the associates in the transformation through a comprehensive training initiative.

Start with “WHY”*

*Simon Sinek – Start with the Why
Engaging Associates

Earl used to build tires for me
Show people board
Why Engage the People

- They know the process
- You cannot just replace them
- They can improve and sustain the change
- Engagement motivates people
HOW to Engage the People

- Communicate, teach (WHY)
- Listen to the concerns
- Focus on the influencers first
- Go see – build trust - help and support
- Thank and reward
- **Show respect**
In a survey of more than 19,000 people by Harvard Business Review (2014), 54% of respondents said they did not feel that they regularly got respect from their leaders.
Respect

- People come to work to do a good job
- If they cannot, look at process, training, qualification, equipment …
- Help the people be successful
- People deserve a safe work environment
- Remove waste from their work
- Ask questions, do not give answers
- Learn to manage the round peg in the square hole – (google)

Hard on the Process, Easy on the People
Sustain the change.

• Most inmates who break out of jail get caught within 10 miles of the institution.

• They are so focused on the plan and the execution of the breakout that they rarely plan what to do when they get outside.

• Similarly, change agents are so focused on the plan and the change process that sometimes they forget to make and implement plans to sustain the change.
Managing People in a LEAN Organization

Upride Down Leadership
Leadership Support

Is not enough ....

Leaders must CHANGE
Leadership

Billy Taylor, Director
NAT Manufacturing

Ellis Jones, Plant Manager Akron

Best NASCAR tire builders in the world
Leadership

When bottom level guys look up, they see only...
Lean Leadership
I am not a behavioral scientist but I know one

**Desired Behavior**

- **Motivation**
  - Make Work Easier

- **Condition**
  - Positive reinforcement

- **Stress Control**
  - Lean enables healthy active coping

- **Cognitive Dissonance**
  - Focus on behavior – beliefs will follow

**Arnoud Herremans**
Change Scientist*

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* LPPDE 2016 - Philadelphia
My Personal Transformation Was The Hardest

Cognitive Dissonance – BELIEFS >>> // <<< BEHAVIORS
Focus on behavior – beliefs will follow

Train
Train
and train again

Change behaviors
Beliefs will follow

Good change agents change first

Scania Model
How to Engage Leaders to Become Lean Leaders

- Tell them … ineffective
- Opportunity for self development
- Take less time to direct/manage – time to learn
- More time to coach, improve, develop people
- Move from the “doer” to the enabler
- Seeing the right behavior helps
- Middle management – hard but important

Leadership Primer
Magic Triangle

Management must learn to shift their attention from fighting fires that should not be there to developing better people and processes - Shingo

Visual Management
Visual controls

A3 – Problem Solving
Accountability

Go See
Leader Standard Work
“The key to successful leadership is influence, not authority." ~ Ken Blanchard

Lean leaders learn to lead without authority
ME

Genius at work
Do not disturb
Engage
My Personal Transformation Was The Hardest

- I did not believe lean could have an impact in R&D
- Did not like a job that had anything to do with people
- CTO – favor – help teach it, then engaged me through his example
- I had to change first – starting with the behaviors – belief came fast – I wish I had learned this earlier in my career

Change agents change first
Advice to Lean Transformation Leaders

• Say “no” 3 times
• You are a change agent – not a project manager
• Get an education
• Do the transformation with YOUR people – inside out and upside down – use consultants to teach all of you
• Have the right expectations
  – Long journey
  – Many restarts and pivots
  – Rarely the right recognition
• Learn to respect people – earn the respect of the organization – appreciate the respect owed you
• Become a teacher and a coach – you will need it!
• This can be done and YOU can learn it
So – Why would anybody want do this??

- I had to transform first – for the better: Excellent education in lean leadership
- Somebody owes you respect for what you learn through this
- It was fun (seriously)
- This is the way things will be done in good companies (unless they find something better)
- Should be on the career path of every leader – I am proud about the leaders that I coached
- These skills are in high demand
- I would do it again!!!!
Thank You!

*Your opinion is important to us!*

Please take a moment to complete the survey using the conference mobile app.

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