

BY GEORGE KONSTANTAKOS

The key to the **lean journey**

Northeastern Region and Hypertherm focus on teaching attendees about their people-centric leadership journey

People-centric leadership was the focus of an invaluable learning opportunity in the Northeastern Region this May. The dine and learn event was held at the Holiday Inn Tewksbury/Andover in Tewksbury, Massachusetts, featuring George Konstantakos, director of operations-light industrial systems for Hypertherm, Inc., as the keynote speaker.

Hypertherm designs and manufactures innovative metal-cutting systems using plasma, laser and waterjet technologies and software to support them. The company is headquartered in Hanover, New Hampshire, and employs nearly 1,400 associates across 13 facilities. The privately owned, 100 percent employee

stock ownership plan (ESOP) company is dedicated to having respect for its people.

Hypertherm began its lean journey in 1996, beginning the push toward continuous improvement and learning about the Toyota Production System from Jeffrey Liker's book, "The Toyota Way," and Liker and Gary Convis' book, "The Toyota Way of Lean Leadership."

After attending people-centric leadership (PCL) presentations at the 2016 AME International Conference in Dallas, the Hypertherm team found that the topic was a perfect fit, combining the company's core values with Toyota's respect for people concept and expectations of leaders at a high level. They began

taking a deeper dive and implementing PCL principles in their overall strategy.

Organizational design and people-centric leadership

People come to work wanting to do a good job. It's frustrating, however, if they don't have the tools or support they need to be successful. In a people-centric leadership approach, both the frontline and second levels of leadership need to be supportive of the people doing the work. It is their role to remove barriers affecting the teams and treat workers as owners, not as subordinates but as associates.

Through effective organizational design, Hypertherm leaders at the first two levels



Above and left: Workstations in the one-piece cellular flow.

have clearly defined roles in ensuring the facility's success. The front line, called the Cell Level Team, is a team of assemblers who perform the work: material handlers who ensure the flow of material from receiving into the value stream, and from finished goods to the distribution center; and lead assemblers, who support the team in achieving each pitch.

One key strategy for the company is to hire and train the right type of personality for frontline leadership. People who have risen from assembly positions to lead assemblers have learned not to just tell people what to do, but to show them what to do, and to be supportive of their team members in achieving their pitch. They work with and assist their team. It could mean troubleshooting problems such as a parts shipment that didn't arrive, or jumping in and performing the work alongside their team members. They are there to help the team—assemblers and material handlers who are stewards of the process.

The Cell Level Team reports to the Value Stream Team. Lead assemblers report to a value stream leader, who ensures that the frontline leaders have the training and resources they need. Manufacturing engineers partner closely with assemblers to define the work methods. Planner-buyers work closely with material handlers to ensure the pull systems through the supply base are working effectively. Bonding and rapport among the engineers, assemblers, value stream leader and lead assemblers, as well as planner-buyers and material handlers, create strong working relationships and spark effective communication about work standards and flow.

Leaders are most comfortable when a manufacturing engineer designs a work standard that they can perform themselves. Fostering this collaborative environment, lead assemblers have stand-up desks within the cells. If an assembler requires help, everyone is within eyeshot of the lead assembler, and if the Cell Level Team requires support, the entire Value Stream Team, value

Hypertherm Core Values



Hypertherm
SHAPING POSSIBILITY™

Core values focus on excellence, sharing and personal growth.

stream leader, manufacturing engineers and planner-buyer also have desks on the shop floor just steps away.

When Hypertherm is hiring, the company looks for skills plus competencies; it's not just what you can do, but how you are able to do it that equals success. When interviewing, leaders look for empathetic, humble qualities, and the ways people interact with teams on the floor. The team has found these people, who adapt naturally to a collaborative, respectful work style, in abundance.

The power of presence

At the operations level of leadership, "presence"—being where the work is performed, witnessing day-to-day activities, celebrating positive change and hearing about employees' challenges and concerns—is crucial. The success of the system is predicated on being supportive to people.

During the lean journey, it requires a lot of effort not to slide back to the old ways. Challenges will arise. Hypertherm has found that it needs to let line leaders

Keys to developing people first

- Keep your people safe and allow them to work without the fear of harm.
- Leaders act as teachers, not directors.
- Make problems visible.
- Mentor people closely, for years, in problem-solving.
- Help them discover ways to improve.

be assistants to people, not firefighters. And when someone is new, they offer training and real-time mentoring until they are comfortable performing those tasks on their own. It's more than learning the tools; they've learned to look at how they teach, support and develop their people. People-centric leadership is proving to be well worth it. 🌟

George Konstantakos is director of operations-light industrial systems for Hypertherm, Inc., and an AME Northeast Region director.