

## PODCAST 285: IS LEAN STILL NOT DEAD AGAIN?

By Mark Graban



*Karen Martin  
President,  
The Karen Martin Group  
[www.ksmartin.com](http://www.ksmartin.com)*

*The Karen Martin Group, Inc., provides Lean transformation, operations design, and performance improvement support to industry, government, and the not-for-profit sector.*

It has been a few years since my friend and colleague, Karen Martin, joined me on the Lean Blog Podcast. Karen spoke with me in episodes 151 and 190 about two of her many books. Karen's fifth book, titled *Clarity First: How Wise Leaders and Organizations Achieve Outstanding Performance*, will soon be published, and we will be doing another podcast about it later this year.

In addition to being an author, Karen is president of The Karen Martin Group, a management consulting company that specializes in Lean management, though as

Karen explained it also performs classic operational development and operations design.

In this recording for episode 285 of the Lean Blog Podcast we discussed a provocative question Karen proposed: is Lean dead?

### **Is Lean Dead?**

Karen started, "There's been increased murmurings from people kind of 'dissing' Lean and making comments about Lean not being effective and it's time for something new. There's one guy that's talking about the 'post-

Lean world,' and there's just so much interesting stuff out there I thought it would be interesting to address it directly, and head-on."

***Karen said that she doesn't think talk about the death of Lean is "fake news" like celebrity deaths or the like,***

Karen said that she doesn't think talk about the death of Lean is "fake news" like celebrity deaths or the like, but that it's a combination of short attention spans, especially

in business, and that people aren't experiencing tremendous results from Lean and are concluding that it doesn't work rather than continuing with their efforts.

There are many instances where "people falsely or prematurely conclude didn't work. We live in a world where experimentation is the center of what we do to help organizations, so experimentation is very good. But, what I do see a lot, and this is even just projects that companies attempt, classic project management, they're just not well executed and so they don't get good results. They conclude it's the methodology versus it being the way that they approached it," Karen said. "You have to do things the 'right way' or at least a smart adaptation way, in order for you to expect to get the results that something promises to give and Lean promises to give a lot."

***"If you're in the merger and acquisition mindset, or you're looking to just be the darling of Wall Street, or whatever, it's just impossible to have that long-term thinking. It flies in the face of long term thinking."***

Even regarding planning, Karen agreed with me that while making decisions based on the long-term perspective, even at the expense of the short term, is a core principle of Lean thought, it often isn't a priority in most organizations. She thinks part of the problem is the time in which we're living and, though she thinks a lot of it is Wall Street driven, she also sees it in non-profits.

"I see all the time, people having a quarterly or annual timeframe for where they're looking. That does fly in the face of making good investments and good decisions that are longer-term, results oriented."

Karen currently has one client that is starting to apply Lean hoping for the opposite type of results than most organizations that undertake Lean.

"We actually are working with a client right now that is not looking for business results. It's the first client ever that we've had that isn't looking for anything financial, at all, to come out of it. He's looking 100 percent for people development, problem solving capability development. He believes very much, as do we, that business results will come when you get people engaged deeply and solving problems on a daily basis, and all of those things," Karen said.

"The only caveat I would say to that very unusual kind of CEO—he's the CEO and Chairman of the Board by the way—the unusual place that he's at is that I do think that they sometimes think that everything's going to be magical for them without looking at big, strategic, innovative, grand-slam kinds of decisions that are part of what any business should be doing, not exclusively by any means, but there needs to be a balance between that little incremental improvement and development that you get from focusing on people, and some business needs that are a big and really require some major re-hauling."

Viewing Lean as a very comprehensive, both broad and deep, management methodology to get exceptional performance in all areas, Karen also warned that

it's not a simple fix and multiple dimensions are needed to achieve full results. She outlines these dimensions as:

- People development: the people who do the work are viewed as the experts about that work and they're actively engaged in improving the work on a regular basis.
- Strategic positioning: how an organization is presenting itself in the marketplace, what kinds of products it provides, and what need is filled by those products, as well as knowing what the customer really values and wants.
- Process design and facilities design: the technical part of Lean, which is often the first part of Lean seen by organizations.
- Management practices: the way leaders lead, including the notion of going to the Gemba, getting to know the needs of employees and customers.
- Measurement: keeping the right scorecard and defining winning in a way that's important for the organization, the people within it, and for its customers.

## **Lean Reading**

"Unfortunately, there hasn't been a single book, and it would be a tome if one was written, that really touches on all these elements that make Lean so wickedly effective," Karen said. "It's a very complex management system with a lot of different layers; I think the world is crying for a quick read that executives could really grasp at least the elements of what makes Lean Lean, and why it's so effective, that does list all these

different areas. But you have to be an insatiable learner.”

Karen still recommends Jeff Liker’s book *The Toyota Way* to people, but adds the caveat that it’s a thick book and so maybe not a book for CEOs, unless they’re really into process design, operational maturity, and organizational maturity.

Karen also surprised me by explaining that she often my book *Lean Hospitals* to non-healthcare clients because it’s a much quicker read and a thorough view of Lean.

A newly published book that Karen recommended was *The Toyota Engagement Equation: How to Understand and Implement Continuous Improvement Thinking in Any Organization* by Tracey and Ernie Richardson, which Karen described as phenomenal (and I agree).

Currently Karen is reading the Shingo Award-winning book *The Toyota Way to Service Excellence: Lean Transformation in Service Organizations*, by Karyn Ross and Jeff Liker.

Karen and I also talked quite a bit about *Lean Thinking* by James P. Womack and Daniel T. Jones, which imparts knowledge based on the Toyota (Lean) model.

“Lean Thinking is a wonderful book for someone to really

understand what Lean thinking is about,” Karen said. “I hear people saying ‘enough with the Toyota,’ but you know what, they are still the organization to study. When it comes to what an organization can do to truly achieve excellence, they’re still my go-to company.”

**“It’s a very complex management system with a lot of different layers; I think the world is crying for a quick read that executives could really grasp at least the elements of what makes Lean Lean, and why it’s so effective.”**

### Learning Versus Copying

There is of course a difference between learning enough from Toyota so can then carry forward through their own thinking and experimentation, versus copying them.

“What we definitely don’t want to do, which many organizations have attempted, is to try to copy Toyota,” Karen said. “This is why I get very worried about benchmarking; we took a client recently to another fairly mature, Lean organization and

we kept preaching, ‘you’re not going to come back and copy things, you’re just going to look at what they’re doing and look at why they’re doing it, and ask questions, and learn about the thinking behind it and then come back and look at your environment and figure out what you need to be doing and what problems you need to solve and all this stuff, and bam, copy, copy, copy.”

Companies looking for a quick fix won’t find Lean to be exactly what they’re looking for, but it may be what they truly need.

“When it comes to results, so I want to be very clear on this, we definitely work with a lot of clients that have significant financial pressure and they need to get better financial results, and we use Lean management to achieve that. So just saying that, now the way we achieve it isn’t through layoffs, it isn’t through rapid cost cutting and ridiculous things, it’s a very methodical, well-thought-out, waste elimination focused way to get financial results. But there are companies that are bleeding financially and have to quickly turn things around or they will be in dire straits,” Karen said. “Or in the case of healthcare, they’re not able to sustain the losses, the small



**Subscribe to the Podcast!**  
[www.LeanCast.org](http://www.LeanCast.org)



margins anymore because of a variety of pressures coming from the outside. So, you might have been able to have a three percent margin for the first twenty years of existence of your hospital and no longer be able to do that. So, there are legitimate reasons to reduce expenses and work toward earning revenue, but the way you do that is through using Lean practices, which are longer term, they may take a little bit longer to get those financial things but you also can pick a smart project and you can approach it using Lean thinking, and it's the right project with enough money hanging off of it, you can get a pretty quick hit."

### **So, is Lean dead?**

To wrap up, I asked Karen again her thoughts on if Lean is dead.

***“Lean is definitely not dead from my perspective at all”***

“Lean is definitely not dead from my perspective at all, I think that the interest that we see in non-manufacturing clients, and it's every sector,” Karen said. “So just the sheer volume of the ask and inquiries is indicating to me that it's not dead. Also, in manufacturing, we're getting a fair number of requests from manufacturers that have been at it for a while and they just aren't making continued progress.”

There's nothing that Karen has seen that doesn't work about Lean, and most of Lean works everywhere, she said.

“It's a very universal management philosophy, and so I think that the people that are saying things about Lean being dead and everything are just operating from a place of misunderstanding and a lack of good experience,” Karen said. “There's just so much fundamental to Lean that there'll be tweaks and little adjustments to it, rightfully so, but the core methodology is very Deming-like, it's very Drucker-like, it's very Tom Peters-like. It's fundamental stuff that's not commonly practiced.”



[www.leanblog.org](http://www.leanblog.org)  
[www.markgraban.com](http://www.markgraban.com)

## **CONNECT WITH MARK GRABAN**



[facebook.com/mark.graban](https://facebook.com/mark.graban)



[@MarkGraban](https://twitter.com/MarkGraban)



[linkedin.com/in/mgraban](https://linkedin.com/in/mgraban)



[youtube.com/user/mgraban](https://youtube.com/user/mgraban)