Don't Let Your Firm Lose Its Soul;
Why many top execs hope lean manufacturing never catches on in American industry.

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A friend and I talked recently about the state of the printing industry. He works as a sales executive for a large U.S.-based printer. After we shared some thoughts about the generally tough economic climate, he caused me to perk up when he commented, "My company has lost its soul."

In almost 30 years around the print industry, I had never heard someone phrase, or assess, the situation quite like this! This conversation took place while I was reading Better Thinking, Better Results: Case Study and Analysis of an Enterprise-Wide Lean Transformation, the latest book by Bob Emiliani, one of the foremost authors on lean process thinking. Interestingly, while Emiliani is a huge proponent of the lean manufacturing movement, he also expresses the opinion that it likely will never catch on in American industry for a variety of reasons (although the validity of lean thinking and the value of lean principles are not among them).

He writes that top management resistance to changing existing paradigms is probably stronger than the current forces promoting and educating industry on lean principles. Lean, or any management principle change, is perceived as more work, as a threat to executive power, and is frequently misunderstood and mischaracterized. It challenges basic belief systems.

Zero-sum is not the answer

One theme is the constant application of zero-sum thinking that pervades industry today. Executives in the print business are used to a world where the seemingly tough choices are: how hard to squeeze a supplier; how many employees to lay off or plants to close; how to further trim expenses such as training and travel; or how to "make the numbers" for the quarter with an utter disregard for longer-term impacts of doing so. Managers brought up in this environment view these actions as necessary and tough decisions that validate their existence-reinforcing their belief that they are taking the necessary and appropriate steps to bring business success.
I think this approach is doing irreparable harm to the industry and individual companies. Growing a business requires a long-term view and support across a wide spectrum of areas. All stakeholders—suppliers, communities, customers and employees—must be considered when making decisions about the business. To not consider each is to marginalize them, sub-optimize them and probably turn them against what you are trying to accomplish.

True lean organizations have successfully proven how businesses that view decisions from a long-term perspective and base their actions on established principles honoring every stakeholder have a much greater likelihood of not only succeeding, but existing to compete into the future.

Executives who take pride in making seemingly "tough" decisions today while playing the zero-sum, somebody-wins-and-somebody-loses game are fooling themselves if they think those actions will position them for future success. They, like my friend's company, have either lost, or sold, their soul to try and better their near-term results.

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