



The past year has been extraordinarily dramatic politically and economically. On both fronts, the need for change has become transparent to the most casual observer. On the business side of the ledger, the pain of the “Big Three” U.S. auto makers is a powerful lesson about the value of embracing the broad tenets of “lean.” Putting aside for a moment the pressures that unions placed on the auto makers, what crippled their capacity to compete was an unwillingness to properly transform their companies to meet the market’s need for quality, value, innovation, and agility.

In a downturn, companies tend to choose layoffs, shutdowns, and deep cost cutting as survival tools. While some of these may be unavoidable, consider also taking a hard look at your business, concentrating on what you do best, and placing a renewed focus on your customer connectivity, creativity, and search for waste. The goal must be speed and agility as well as doing more with less—and

figuring out how to inject these imperatives into every last employee. When dealing with market fluctuations and economic stress, look closely at the characteristics of lean companies that have successfully transformed their enterprises for competitive advantage in any business climate. Lessons like increased responsiveness to changing customer demands can sustain market share and customer loyalty.

- *Focus on what you can control.* Take waste out of your operation. Remove what doesn’t add value to free up cash. Re-examine your inventory, your lead times, your energy use, and your accounts receivable processes—the most obvious sources of waste. Norfolk Southern Railroad has done just that by improving its locomotive maintenance processes as well as the velocity of trains through rail yards—all to help insure that their customers get their freight on time, every time. (p. 2) A regional airline has also found that focusing on removing waist can shorten maintenance times, keeping planes flying longer. (p. 10)
- *Tighten connectivity to customers.* Listen to your customers. Go to them and find out what they really want through discussions and observations so that you can develop immediate, innovative solutions to their unarticulated needs. Getting close to your customers is essential to even finding out where waste is. Focus on lead time, quality, and value innovation.
- *Create synchronicity between your supply chain and the rest of your enterprise.* Create partnerships up and down your value chain.
- *Leverage gains for growth.* Every time you eliminate non-value-added steps and reduce waste in your processes, you

can increase capacity, improve productivity, and cut capital spending. Seaman Corporation has done just that, through rigorous project selection and acceleration of their lean journey to dramatically increase productivity and grow its business. (p. 6)

- *Create a current, compelling vision for the future.* Communicate the “strained times” vision with everyone in the organization and clarify everyone’s roles. Develop a roadmap to achieve that vision that everyone can follow. Communication derails speculation and allows everyone to concentrate on working together to improve the business. DPloy Strategy is a web-based visual management solution that will help align corporate strategy and objectives with day-to-day efforts. (p. 13)

The tools are there and have been there a long time—it’s just a matter of creating the sense of urgency in 2009 to use them. We need to become more impatient, more focused, and be willing to go back to fundamentals. Revisit the things that have worked for you in the past and drive into them even deeper. Push lean down into the very roots of your organizational culture. Doing so will ensure that your company is resilient against the unexpected. LeanSigma® will work even during economic slowdowns if you fully embrace its principles. It serves as an ally in good times as well as bad. Indeed, it can be the antidote to the pain that may lie ahead of all of us. Hard times don’t last for ever, resilient people do. ■

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