

overlooked, LEAN mindset for leaders is **you don't assign LEAN — you must lead it** to get the full value it can bring. The way Paul Soubry, New Flyer's president, and a LEAN CEO, puts it: "Leaders cannot delegate it, they must live it — and also be in the game at ice level." Since Soubry joined New Flyer in 2008, they are now the #1 urban bus manufacturer in North America. Their innovative leadership launched the world's first zero-emission hydrogen fuel cell fleet.

## The LEAN CEO

A new book this year by Jacob Stoller, *The LEAN CEO: Leading the Way to World-Class Excellence*, has just hit the bookshelves and we recommend it. It is a book that extracts its data directly from those CEO's who have done it. It is a book that Jeffrey Liker, author of *The Toyota Way*, praises and feels is long overdue. In Jeff's words "Finally, in this book we learn the lesson so often missed. LEAN is a total enterprise approach to adaptation and prosperity that must be understood and owned by the CEO."

It applies equally to the CEO of a company, a healthcare centre, or the CEO (Governor or Premier) of a state, province or ultimately a country.

What ATJ found significant about Jacob's book is, he chose the Governor the Governor of the State of Connecticut, Daniel P. Malloy, to provide the foreword for his book. Governor Malloy refers to himself as the **CEO of Connecticut** and talks about what most manufacturers will remember — that NBC video wake-up call back in the 1980's entitled *If Japan Can — Why Can't We?* At the time it was a bare-faced comparison with what LEAN had done for Japan.

Malloy claims "a smaller, more efficient executive branch that to date has saved over \$2 billion in taxpayer dollars." LEAN has cut coastal project approval times by 50 per cent, permit processing times by 74 per cent and realizing Department of Revenue Services cost savings by \$8.25 million with no layoffs. He puts the approach simply: "We must find ways to do more with less while still being responsive to taxpayers." He states that LEAN does come with a caveat — It cannot become a flavor of

the month — and it is even worse if it is implemented as a cost-cutting measure.

The reason for sharing these feelings radiating from our best customer to the south is simple. US manufacturers are showing gains and Canadian manufacturers not so much. With the CDN\$ dipping below 77c this week, and indications it may head lower — we see a boost in tourism revenues but in manufacturing there is uncertainty.

We may all agree we must do more with less. But if we do nothing now to improve our processes; drive waste from our relationships with internal and external customers; and don't commit to accelerate meaningful innovation and the open collaboration and exposure it demands — then our future lunch may be eaten by those taking action to make the serious investments in LEAN, innovation, technology, and people that LEAN CEO's understand. Their leadership will make the difference.

We have a lot of choices and a lot of work ahead of us. But the discussions are beginning — and that is a good thing. In the next issue we will be back to the floor and the Gemba. 🍷

## Have a department to renew? Here's a LEAN startup guy with tools

Innovation, for some, is already a mission-critical strategy to survive and thrive in the decade that is upon us. A fair statement? If so, what are we doing about it? Eric Ries, the concluding speaker at the *7th annual Entrepreneur Week* organized by Waterloo Region's Communitch, the Region's hub for the commercialization of innovation, in 2011, delivered a message that was not expected. In it, he inserted LEAN Thinking directly into the traditional and cumbersome process required to turn one's first business plan into a Startup. Hence the term LEAN Startup.



In truth, he gave everyone a risk-reducing and survival-enhancing gift — but who was the audience? Your editor, like many others, expected the big hall at the Kitchener Tannery to be filled with excited, blood-pumping, young, entrepreneurs. But it was not. The room contained a very large majority of

attendees who came from long existing companies to see how they could better apply entrepreneurial thinking inside their existing walls.

It's four years later now, and the urgency for companies of all sizes to build entrepreneurial thinking into every corner of their organization is becoming