



**LESAT FACILITATION:
The Steps to Organizing and Running a Lean
Enterprise Self-Assessment**

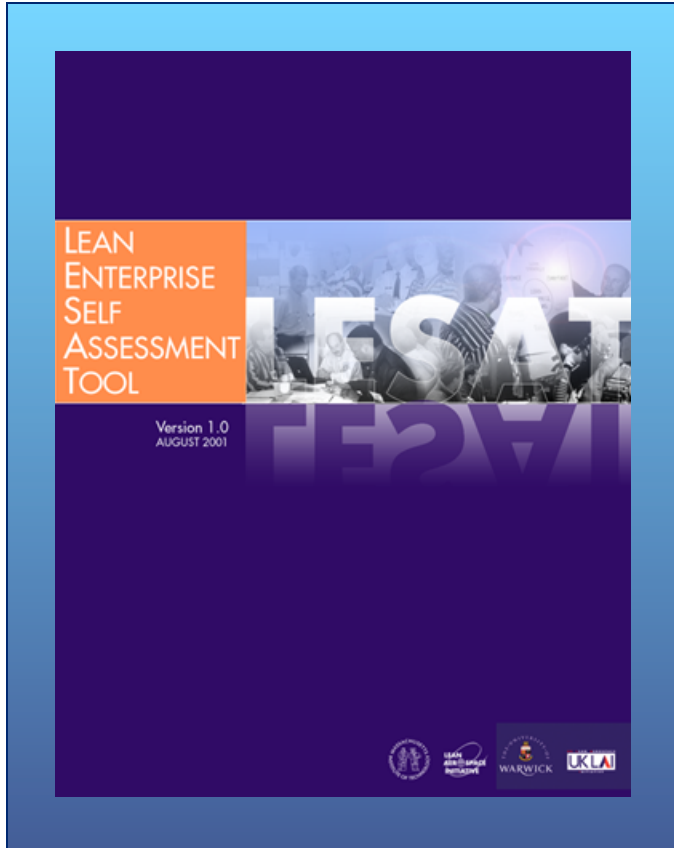
Cory R. A. Hallam
March 27, 2003



The Process for Conducting LESAT Assessments

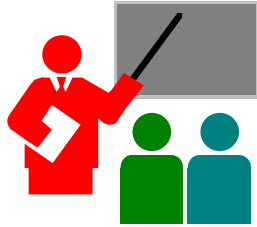
- A well-structured process will ensure consistent and reliable results, and reduce the amount of wasted effort
- The LESAT Facilitator's Guide is intended to help you do this
- Description of the Facilitation Process Steps
 - Facilitator's Guide pp.21-25
- Checklist for the Process Steps
 - Facilitator's Guide pp.29-30

Two LESAT Documents



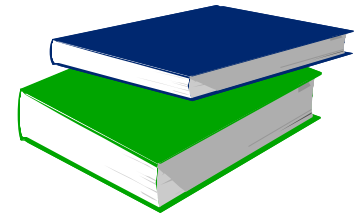
- Facilitator's Guide
 - Matrices plus explanatory materials to help perform the assessment and interpret the results
- LESAT Assessment Manual
 - Matrices for assessors

LESAT Supporting Material

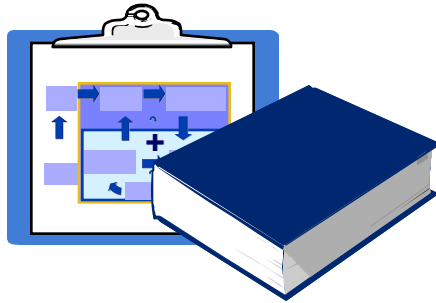


- Introductory Presentation

- Facilitator's Guide

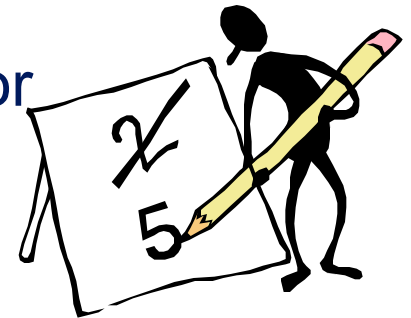


- LESAT Matrices

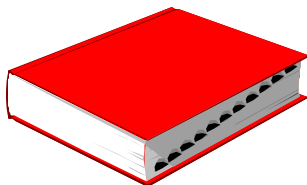


- LESAT Maturity Calculator

- TTL Roadmap & Guide



- Glossary of Terms





Having a Clear Definition of Your Enterprise is a Must!

- Define what “enterprise” you want to assess
 - Business unit
 - Division
 - Entire company
 - Including extended enterprise supply chain
 - Extended enterprise lifecycle
 - Extended enterprise end-use customers
- Remain clear that all assessments must be done for the enterprise you have defined
- Ensure that all assessors rate the lean maturity of the entire enterprise, and not just their function

Methodology for Employing LESAT

(Description - Facilitator's Guide pp.21)



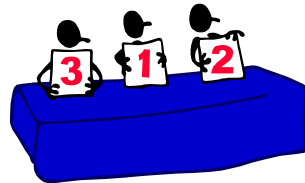
Step 1: Facilitate a meeting to introduce the tool. Identify and hear from the enterprise leader and lean champions



Step 2: Enterprise leaders and staff conduct LESAT assessment. Facilitator answers questions and compiles data for leadership review



Step 3: Leadership reconvenes to jointly review results of present maturity level



Step 4: Leadership identifies and agrees on actionable items



Step 5: Team is formed to develop action plans and prioritize resources for lean enterprise improvement



LESAT Assessment Process

(Description - Facilitator's Guide pp.22)

Pre-assessment Preparation	Essential	Optional
<ul style="list-style-type: none"> • Timing of Assessment • Conduct Mgmt Lean Education Event • TTL Familiarization (on CD and LAI web) • Assemble Assessment Material • Define Boundaries & Time Horizon 	<p style="text-align: center;">X</p> <p style="text-align: center;">X</p> <p style="text-align: center;">X</p> <p style="text-align: center;">X</p> <p style="text-align: center;">X</p>	<p style="text-align: center;">X</p>



LESAT Assessment Process

(Description - Facilitator's Guide pp.22)

LESAT Kick-off Session	Essential	Optional
<ul style="list-style-type: none">• Introductory Presentation• Define “Ground Rules”• Distribute Assessment Materials• Provide Schedule for Completion• Provide Contact Info for Assistance	X X X X X	



Ground Rules

- Perform the assessment from a total enterprise perspective, NOT individual functional area
- Attempt to assess every practice; leave blank if N/A or if you don't know
- Scoring the practice maturity
 - Each level assumes that lower level criteria are met
 - If between levels, score at the lower level
- Note “evidence” for level selected
- Identify opportunities to increase maturity level (this will help create actions plans
- Seek assistance from company facilitator for further clarification of maturity definitions



Assessment Methodology

- Enterprise Leader and Direct Reports
 - This is also a means for the leader to judge her/his assessment versus enterprise average from direct reports
- Direct Reports each convene an assessment meeting with 2-3 of their staff and act as moderator in achieving a consensus score
 - This requires more labor-hour time investment on the part of the enterprise
 - This provides a much more believable maturity measure for the enterprise as the staff are closer to the day-to-day operations
 - It is also an opportunity for the direct reports to get an open and reliable feel of the enterprise's lean maturity



LESAT Assessment Process

(Description - Facilitator's Guide pp.22)

Group Completion of Assessment	Essential	Optional
<ul style="list-style-type: none"> • Read Entire LESAT Before Starting • Seek Clarification from Facilitator • From Enterprise Perspective, Determine Current Maturity for Each Practice; Note Evidence • For Defined Time Horizon, Determine Desired Maturity Level • Achieve Consensus, Provide to Facilitator 	<p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>X</p>

Desired State

- The desired state provides a target of where the enterprise thinks it should be
- It is important to define the time horizon for this future state
- A good approach is to use the 5-year plan as the improvement direction (i.e. which areas should be improved), while setting a 2-year objective for the actual desired state (i.e. a lean maturity improvement of 1 level in section 1.C.1)
- A common time horizon will ensure valuable meaning in the future state data



LESAT Assessment Process

(Description - Facilitator's Guide pp.23)

Facilitation of Assessment	Essential	Optional
<ul style="list-style-type: none">• Attend Group Assessment Sessions• Provide Guidance, Answer Questions	X X	



LESAT Assessment Process

(Description - Facilitator's Guide pp.23)

Initial Summarization	Essential	Optional
<ul style="list-style-type: none">• Consolidate Inputs• Prepare Summaries• Prepare for Wrap-up Meeting	X X X	



Gathering and Consolidating the LESAT Data

- Strong leadership support for the submission assessment deadlines are important - this will keep you on track and help reduce “data chasing”
- The LESAT Maturity Calculator automates a lot of the calculating and puts the data in a form that can be used to draw important results and conclusions
- We will review how to interpret and present results in a later portion of this workshop
- The champion of this effort, most often the enterprise leader, should be briefed and consulted before the report-out to gain her/his buy-in, and even draft the conclusions before taking the results to the entire leadership team



Summarizing Results - Sample Form

LESAT Enterprise Self-Assessment Tool (LESAT)				
Section I - Lean Transformation/Leadership				
Process Definition: Develop and deploy lean implementation plans throughout the enterprise leading to (1)- long-term sustainability, (2)- acquiring competitive advantage and (3) satisfaction of stakeholders.				
TTL Link	Lean Practice	Lean Characteristic	Capability Level	
			Current	Desired
I.A. Enterprise Strategic Planning	I.A.1 - Integration of Lean in strategic planning process	Lean impacts growth, profitability and market penetration		
	I.A.2 - Focus on customer value	Customers pull value from enterprise value stream		
	I.A.3 - Leveraging the extended enterprise	Value stream extends from customer through the enterprise to suppliers		
	<i>Average</i>			
I.B. Adopt Lean Paradigm	I.B.1 - Learning and education in “Lean” for enterprise leaders	“Unlearning” the old, learning the new		
	I.B.2 - Senior management commitment	Senior management leading it personally		
	I.B.3 - Lean enterprise vision	New mental model of the enterprise		
	I.B.4 - A sense of urgency	The primary driving force for Lean		
<i>Average</i>				
I.C. Focus on the Value Stream	I.C.1 - Understanding current value stream	How we now deliver value to customers		
	I.C.2 - Enterprise flow	“Single piece flow” of materials and information		
	I.C.3 - Designing future value stream	Value stream to meet the enterprise vision		
	I.C.4 - Performance measures	Performance measures drive enterprise behavior		
<i>Average</i>				
I.D. Develop Lean Structure and Behavior	I.D.1 - Enterprise organizational orientation	Organize to support value delivery		
	I.D.2 - Relationships based on mutual trust	“Win-win” vs. “we-they”		
	I.D.3 - Open and timely communications	Information exchanged when required		
	I.D.4 - Employee empowerment	Decision-making at lowest possible level		
	I.D.5 - Incentive alignment	Reward the behavior you want		
	I.D.6 - Innovation encouragement	From risk aversion to risk rewarding		
	I.D.7 - Lean change agents	The inspiration and drivers of change		
<i>Average</i>				



LESAT Assessment Process

(Description - Facilitator's Guide pp.24)

LESAT Wrap-up Meeting	Essential	Optional
<ul style="list-style-type: none"> • Review of LESAT Process • Presentation of Assessment Results • Facilitate Discussion/Clarification of Results; Elicit Implications • Consensus on Future Direction, Areas for Further Study • Alignment with Other Initiatives • Next Steps; Actions Indicated 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	



LESAT Assessment Process

(Description - Facilitator's Guide pp.24)

Post-Assessment Analysis & Action Plans	Essential	Optional
<ul style="list-style-type: none"> • Suggested Quick Hits 		X
<ul style="list-style-type: none"> • Impact On Enterprise Lean Transformation Plan 	X	
<ul style="list-style-type: none"> • Adjustments to Detailed Implementation Plans 	X	
<ul style="list-style-type: none"> • Re-deployment of Resources 		X
<ul style="list-style-type: none"> • Additional Education & Training 		X
<ul style="list-style-type: none"> • Preparation for Next Assessment - part of annual operating plan... 	X	



Schedule

LESAT Overview/Kickoff

Today

Completed assessments
to site coordinator

TBD

Scores compiled and
summarized

TBD

Consolidation/Feedback
Session

TBD



Important Things to Remember

- LESAT focus is at total enterprise level
- Designed for self-assessment, not comparisons
- Intended for regular, repetitive application
- Assesses 54 key lean practices (enterprise level)
- Results can indicate opportunities for Improvement
- Management should consider LESAT results as a total set describing the state of the enterprise
- Numerical scores are less important than insights gained from relative maturities between practices



Important Things to Remember

- Purpose is to discover greatest needs for improvements, not how high you can score
- Second LESAT assessment may result in a lower maturity rating as you develop a better understanding of what it means to be a lean enterprise; again focus on relative maturity between practices
- LESAT is not a “scorecard”, it is a maturity scale to help identify where you are and where to go, the TTL can help drive the improvement process
- Numerical results should not be used to compare organizations - this would degenerate into “game playing”. However, the order of practices by maturity can be used to identify which organizations are doing well and are a potential example to study for improvement
- Results are opinion based - opinions change as evidence is presented



Workshop Participants Should be Able to...

- Organize & execute a LESAT implementation
- Prepare Enterprise Leadership Team by presenting an overview of the LESAT
- Conduct Kickoff Meeting & provide instructions
 - Use/tailor MIT's LESAT Kickoff presentation (on CD)
 - Prepare materials for assessment
- Provide advice & consultation during exercise
- Collect, summarize results; prepare for Follow-up



Workshop Participants Should be Able to...

- Conduct Follow-up & facilitate discussion among Leadership Team relative to interpretation of results
 - Capture primary issues that surface during meeting
 - Obtain agreement & understanding of next steps and who will have responsibility for executing them
- Conduct Post-meeting analysis, work with Executive Team to update/modify Lean Transformation Plan & other affected initiatives
- Prepare for subsequent LESAT executions