

The Lean Daily Management System®

A Kaufman Global e-Book

To be operationally excellent, there isn't anything more powerful than an organization of engaged and empowered problem-solvers.



Introduction

The Lean Daily Management System® methodology was developed by Kaufman Global in the late 1990s. Since then we have worked with clients on every continent to help them implement this system. Across 25+ years and hundreds of engagements, we've learned a thing or two about how to make LDMS come alive inside the organization for remarkable results.

Our most basic description of the Lean Daily Management System is and always has been:

A daily workgroup meeting at a primary visual display with metrics that the workgroup can influence and control.

Components of the Lean Daily Management System

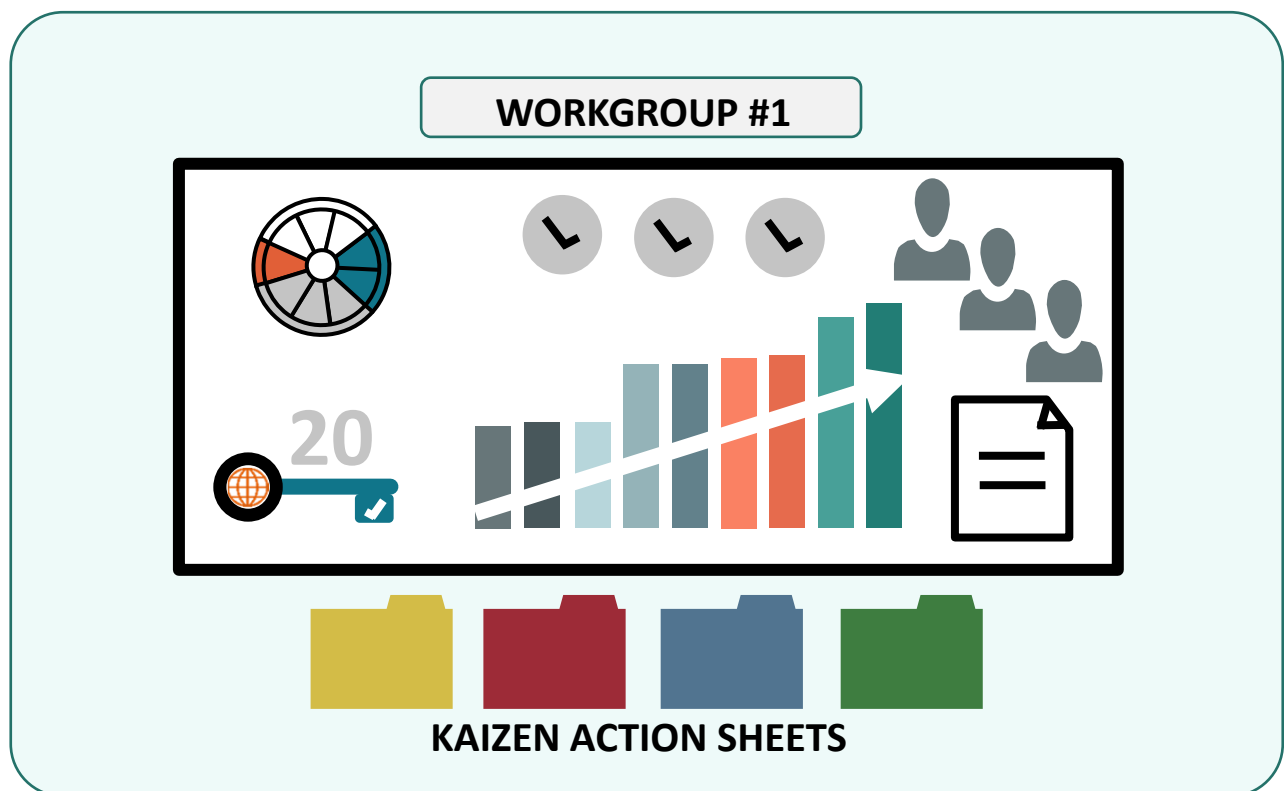
1. Daily Workgroup Meeting
2. Primary Visual Display Board
3. Kaizen Action Sheet System
4. 20 Keys®
5. Coaching
- + Metrics
- + Skill Versatility

*"I understand the Lean Daily Management System.
It makes Lean sticky."*

~Ed Ludwig, then CEO, Becton Dickinson

Engagement: The Primary Visual Display and Daily Workgroup Meeting

A **Primary Visual Display (PVD)** Board is a large visual display that presents the current status of an intact workgroup on key metrics, goals, objectives and action plans. It contains real-time information that represents the status of work. The elements of LDMS are represented on the PVD: Daily Status, Metrics, Kaizen Action Sheets, Skills Versatility, and the 20 Keys. The PVD is the first step when implementing the system.



The Daily Workgroup Meeting is held every day in front of the Primary Visual Display board for 10 minutes. The team (ideally 5 to 7 members who work in close proximity to each other within the value stream) reviews current status, daily priorities and hot button issues.

This meeting is not a problem solving session, but it may direct resources toward issues that will help team performance.

Improvement: Kaizen Action Sheet System

The Kaizen Action Sheet System is a continuous improvement dynamo for the workgroup. It provides a means for individual team members to identify and submit small improvement ideas for their area. Once the idea is submitted on a Kaizen Action Sheet, it is reviewed with the team during the daily meeting. If approved by the supervisor and team, an implementation plan is developed by the team and progress is tracked to closure.

KAIZEN ACTION SHEET

Manager	Area or Process	Name / Date
Problem Description	Actions to be taken	Expected result
Before Improvement		After Improvement
Outputs measured / to be measured to determine impact of changes		



“The KAS System is so important is because it gives the team a voice. The issue is making sure management listens!”

~VP Manufacturing Automotive

Guidance System: The 20 Keys®

20

The **20 Keys** are a powerful continuous improvement guidance system for intact workgroups. They list 20 attributes of performance and then describe in simple terms what different levels of performance (from 1 - 5) look like. The workgroup evaluates their own performance against these descriptions and then determine their own priorities for improvement.

Level	Level Characteristics / Conditions	
5	Seamless; transparent; automatic excellence	
4	World-class; outstanding, but not quite always automatic	← Goal
3	System installed; frequent glitches, sometimes serious	
2	Awareness established; first small steps taken	
1	The usual mess; reactive, little standard work, many problems and most are accepted as "The way it is..."	← Current

The 20 Keys can be used to evaluate and give guidance to a site, a function or a workgroup. Each 20 Keys template is fit for purpose according to application. For example, manufacturing, service, office, supply chain, human resources, etc.

Change Management: Coaching



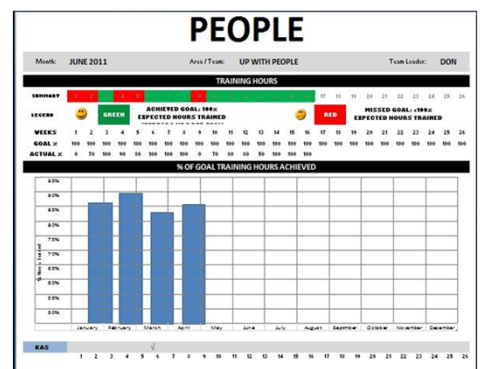
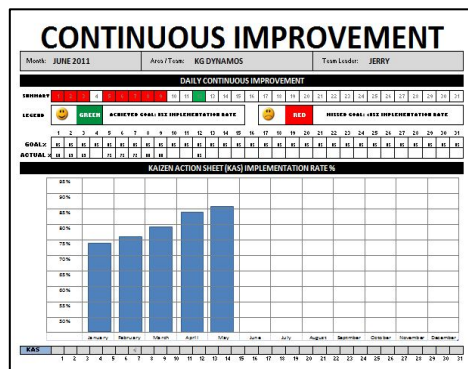
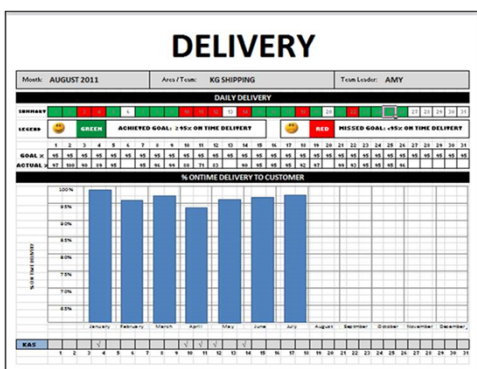
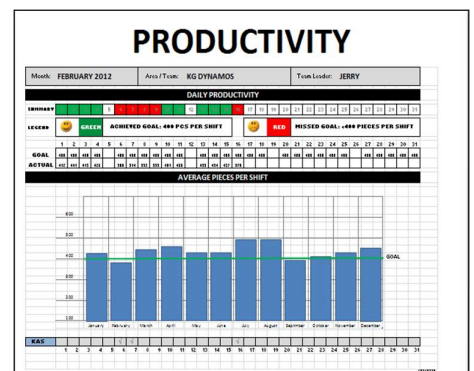
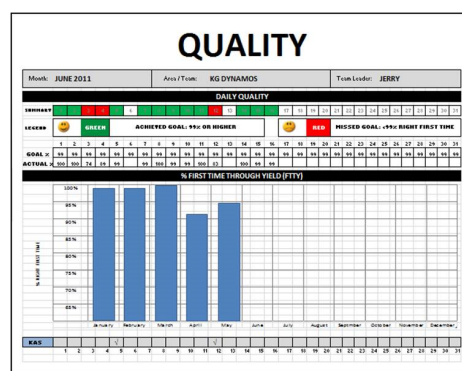
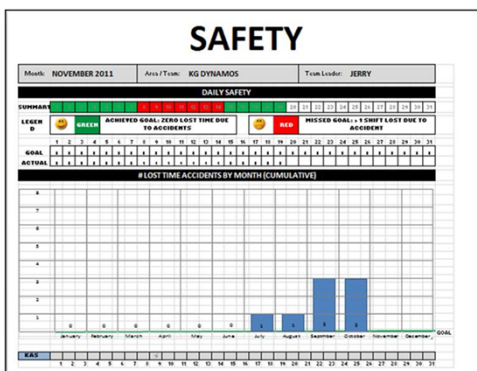
Coaching: The Lean Daily Management System is not an “installation”. It is an implementation. Workgroups need to change their ways and habits to be more involved. Even though they may want it, for many, greater autonomy and real accountability are difficult concepts. Coaching, teaching and demonstrating best practices not only make the transition easier, usually these change management methods make the difference between success and failure.

Managers sometimes find it difficult to adjust their top-down approach. To make LDMS work, they need to engage, ask open questions, have the right expectations and provide the sound feedback. By empowering teams to fix the problems they identify, more gets done and the solutions are ultimately more sustainable. This transition of process ownership to teams energizes progress toward true operational excellence.

“When we started with the Lean Daily Management System we didn’t anticipate the dramatic shift in our thinking. Real-time coaching brought us through this difficult phase.” ~Director of Hospital Psychiatric Services

Keeping Score: Metrics

Metrics are vital to LDMS success. Most workgroups are used to their metrics being given to them – directed from above. With LDMS, the workgroup confirms measures that are relevant for them. Since the team understands the most about waste and value inside their process, they make decisions about what they should measure to improve the work they do everyday. Common metrics often include dimensions of: safety, quality, cost, delivery and productivity, among others.










Metrics development is a high priority for LDMS. Baselines must be established early so progress is quickly visible. The information is out in the open – on the visual display board. Trends in the goal direction are a source of pride for the team. Metrics moving in the wrong direction identify areas that need attention.


Competence: Skills Versatility


You want to develop a range of skills and competencies within each workgroup. **Skills Versatility** helps the team understand all the tasks that must be done, and to what degree the team is cross-trained in doing them. For each major task in the workgroup, work steps and instructions are developed that illustrate varying levels of competency. Each team member is designated visually with regard to the skills they currently possess.


Beyond the workgroup, skills versatility should be integrated into the Human Resources employee development plan. But for those starting out, this is a good way to encourage individuals at a workgroup level to seek assistance and sets personal goals to gain additional skills.


	Task									
										
										
										
										
										
										


Expert
Can Train


Fully
Proficient


Can do
with help


Basic
Understanding


Not trained
Not qualified

Something Meaningful

What's in it for you...

- A measurable uptick in process results
- Real traction in engaging the power of your people to make a tangible difference in your results
- Direct connectivity to your annual operating plan
- People that are more engaged, better connected and empowered



Kaufman Global gets your LDMS teams up and running fast – and, if you've already started we can help course correct if your program isn't delivering the expected results. We offer:

- Deep, real-world experience
- World-class coaching and training at all levels
- A rich array of intellectual property and teaching materials
- Training programs for supervisors, work teams, managers and leaders. Train-the trainer is recommended.