

What does 'lean' mean to employee communicators?

The author has studied 'lean management'—and is working to apply its principles to the internal communication operation at his company.

I know this sounds like the start of a corny gag, but please stay with me here. A man walks into a maze carrying a ladder. The ladder is made up of sections but he carries it fully extended. Naturally, the narrow twists and turns of the maze make it hard to get around, and he frequently has to backtrack and maneuver the torturous ladder to get through the gaps. The heat and effort start to take their toll, and he pauses for breath—and while he does, he leans the ladder vertically against the wall of the maze. Eureka, you might hear him say, as it dawns on him that by climbing the ladder he can see over the walls of the maze and figure out where he is, and where he needs to go to escape his conundrum. Not only that, but he also notices the joins in the ladder. Once down, he collapses the ladder so it fits neatly under his arm, and he marches off directly to the exit, job done. If you were to give a name to the eureka process in this story, you might not immediately think of a business process re-engineering system called “lean,” but that’s exactly what it is.

The scenario described above is taken from a short video shown at UK Retail Bank CEO Deanna Oppenheimer's 2007 roadshow. The purpose? To explain the lean philosophy to thousands of retail network, operations and call center staff around the UK. Some of these folk will already have heard about lean, but for many it will be their first real exposure to the concept— and making it more relevant and compelling for them than “business process re-engineering” is something of a challenge.

Lean Barclays is one of four strategic themes that Oppenheimer is touring with her roadshow, and as her communications people it is up to us to share as widely as possible details of the specific actions required, and help embed the philosophy throughout the organization. But there’s another dimension to our task, and in some respects it’s a tougher call. That is, to apply the lean philosophy to our own activities in employee communications. So what is lean, and where did it come from?

Lean back

In the 1950s Japanese car manufacturer Toyota sent engineer Eiji Toyoda to study Ford's production methods in the US. He returned and reported to his colleague Taiichi Ohno, who subsequently published his findings under the title “Toyota Production System—Beyond Large Scale Production.” By the 1970s the system was attracting widespread attention, and grew through the 1980s to become a cornerstone of Japanese, and global, auto manufacturing.

The Toyota way is based on the elimination of waste from multistep processes, or “value streams,” waste that can tie up a company's people and systems in unproductive use of time and resources. Ohno identified seven kinds of waste— over-production, inventory, motion, waiting, transportation, over-processing and “not right first time” or scrapping and reworking of defective outputs. At Toyota they pioneered the end-to-end examination of value streams which led to the removal of wasteful steps, that add no value to the process. This is a continuous process that is neither a one-off activity nor an external solution that can be applied now and then. It is an inherent part of the entire organization's activities that must be understood and applied by everyone in it.

In a 1990 book on the Toyota system, “The Machine that Changed the World,” Jim Womack, Dan Jones and Daniel Roos coined the term ‘lean manufacturing’ to describe the improvements in auto production that Ohno had laid out. Pretty soon it was clear that other manufacturing industries could benefit from lean processes, and these lean ideas spread to service industries, not-for-profits and even government.

Lean Barclays

While Barclays is not the first to apply lean in the financial services sector, the company has launched an unprecedented campaign to use lean principles to transform its UK Retail Bank, which will then become the model for its businesses around the world.

In Lean Barclays, value is determined by what customers want. The flow of products and services to the customer is sometimes blocked by wasteful or duplicative steps, which we characterize as ‘rocks’ and ‘boulders’. Getting them out of our work's value streams allows the streams to flow freely to the customer, resulting in greater satisfaction for customers, and more business for Barclays.

One of the first areas to benefit from a thorough value stream exam is the critical area of countering “phishing”—fraudulent online transactions in which customers are duped into providing personal account details to criminals via fake emails purporting to come from their bank. Rising numbers of ‘phishing’ incidents highlighted customers’ frustration with slow processes to detect the fraud and return their money. As a result, Chris Thomas, head of Financial Crime, took the opportunity to introduce lean thinking to the Direct Channels Fraud Management (DCFM) team. The team undertook the typical four-step lean analysis: listening to the voice of the customer to determine exactly what customers want; logging all existing activities to ‘map’ the current process; designing a future way of working that eliminates the wasteful steps and delivers greater value; and then embedding that type of approach in every part of the operation.

According to Thomas, “the Lean approach is very hands-on and practical. It has had a wonderful impact on team morale, as colleagues feel they are in control of the change process.” Moreover, the early benefits have been “spectacular”:

- Customers who have suffered “phishing” are refunded within one day rather than three, and receive their new account codes in five days instead of 10;
- Complaints requiring a written response have been reduced by 75 percent, and paper has been eliminated altogether, resulting in a completely electronic process;
- The reduced workload for colleagues who deal with fraud cases has led some of them to be moved into fraud detection roles, which will result in even fewer frauds in the future.

Now imagine replicating success like that with hundreds of value streams across all areas of the business, and that will give you an idea of how powerful lean can be. And the beauty of it is that it is not a clunky, bolt-on activity that has to be learned and re-learned every time. “It’s a philosophy, a way of thinking,” says Georges Wega, director of Lean Barclays. “It’s going to become the way we do business.” He points out that “it’s very much about leveraging the knowledge that is already existing within our work force ... leveraging the expertise of our people, leveraging their talent and their creativity to come up with solutions which will allow us to delight our customers. You would expect to get more satisfied customers in your area. You would expect to have a better workplace also.”

That last comment gets to the heart of the matter from the perspective of lean as a communication challenge. The way we’re presenting lean to colleagues is based on the importance of their involvement and the benefits to their working environment—as the example above illustrates, it really empowers those who participate—as much as the benefits to customers.

That’s why Wega is so passionate about it, because it combines the best of both worlds in terms of continuously improving business processes while empowering and engaging employees because, as he notes, “we need to ensure that we listen to them, we need to ensure we work with them, we need to ensure we involve them, because they are the experts making this happen.”

Communicator, lean thyself

So what about the application of lean principles to employee communication? It shouldn’t come as a surprise to learn that there are already experts in this field, and as *Journal* readers I’m sure you know that Ragan publishes “The Lean Communicator,” an e-newsletter created by consultant and lean maven Liz Guthridge (if you didn’t know that, check out the e-newsstand on the Ragan Web site).

I spoke with Guthridge shortly after she attended the first Lean Transformation Summit in Atlanta, an event intended to encourage lean thinking and lean leadership across the entire enterprise, not just in traditional manufacturing settings. There she heard about examples of leading-edge lean practices at a range of companies, notably GE, New Balance and Starbucks. What these companies have realized is that there really isn’t a process that you can’t improve with lean, whether it’s reducing healthcare customers’ waiting times, designing and marketing footwear or speeding up new store openings. So any of the things we do as employee communicators can be improved by applying lean thinking, from print production to message sign-off processes to an intranet build. Indeed, says Guthridge, “employee communication, more so than any other function, crosses value streams,” and therefore stands to benefit from the application of lean to different areas. Like Georges Wega at Barclays, Guthridge emphasizes the positive impact for those taking part in lean. “It can make your work so much more interesting,” she told me, “as well as speed things up.”

Guthridge says her e-newsletter is aimed primarily at small internal communication teams who have no choice but to apply lean thinking in order to get the job done. However, it can be just as powerful in bigger structures, where

duplicative steps can easily creep into communication processes. As one of GE's healthcare clients puts it, lean helps you see things right under your nose that are not adding any value to your workstream and that you might otherwise not have noticed. Once you have eliminated these 'boulders' you can free yourself and your team to be more creative and, according to Guthridge, "have more fun."

There's another benefit that ensues from conducting a lean analysis, and it may not be obvious at first. Having examined your work from end to end as a value stream, not only can you eliminate waste, but by virtue of having done this your processes become more transparent. And that's good for you, your stakeholders and your customers.

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