



Accelerated Healthcare Transformation

Lean Healthcare

Lean Doesn't Happen Overnight

By Bill Booth

Lean Isn't Something that Happens Overnight

Becker's Hospital Review's published a blog, ["Toyota is not lean"](#), and suggested US companies have missed the boat with their lean efforts. Negative changes in market valuations for a select group of corporations coinciding with their lean initiatives was put forward as evidence of a significant disconnect between "lean", as expressed by its North American standard bearers, and the "real" Toyota Production System (TPS).

For the period 2000 to 2007 when four US auto manufacturers claimed to be implementing lean, those firms' stock prices dropped from 21% to 81%. During the same period, Toyota Motor Company's share prices increased 44%. The writer concluded that the US companies, while claiming to follow the example of Toyota, were actually doing something else that they called lean and it was not working. So the warning to healthcare executives was issued: [Beware of consultants bearing lean](#).

It would be easy to debate the writer's assertion by looking more closely at a broader sample of "lean" companies and their corresponding increased market valuations. ([Kevin Meyer](#), "The Superfactory 20 "Lean Companies to Watch") But that would really miss the more important points of the discussion. No business just "implements" lean.

[A lean transformation is always a journey](#) during which the capacity of an organization to create greater and greater value increases over time. Done well, lean becomes a [continuous process](#) of improving the organization and its people.

An honest critique of lean would reveal a tendency for some firms to over emphasize the importance of the tools and techniques which Toyota and others made so popular such as 5S, kaizen, kan-ban, value stream mapping, A3, and visual devices, etc. These all have their place, especially in healthcare, but they in themselves are not lean.

Kim Barnas, CEO of ThedaCare, wrote about her organization's intense and successful lean journey. Their destination, or "True North", is identified in terms of safety, quality, patient satisfaction, people, and financial stewardship. Leadership seeks first to "develop people, solve problems, and improve performance." Beyond this a great many of the

traditional lean tools that have proven useful during the journey are deployed within a system-wide strategy of daily activity involving everyone in the organization. The result has been improvement in both the performance metrics and in the business system itself.

About our Experts



Bill Booth is a practitioner of the Toyota Production System and certified by the American Society for Quality, Association for Manufacturing Excellence, and Society of Manufacturing Engineers as a Lean Sensei. He works with clients to improve client operations by applying Lean principles and Galloway's Transformational Adoption® methods and tools.