

# AME/APQC Benchmarking CoP Virtual Networking Event October 23, 2012

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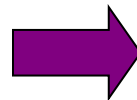
The Boeing Lean + Overview

Dayde McLaughlin, Director - Lean+ Enterprise Initiative  
The Boeing Company



# Housekeeping

- All lines are muted.
- You can submit questions/comments at any time. We will address all questions during the Q&A session at the end of today's presentation.

A screenshot of a 'Question and Answer' interface. The window has a title bar with a dropdown arrow and the text 'Question and Answer' and a close button 'X'. Below the title bar is a text area labeled 'Question and Answer Log'. Below that is a text input field with the placeholder text 'Enter a question for the staff:'. At the bottom of the window is a 'Send' button.

- Links to the recording and slides will be made available to all attendees via e-mail.
- Follow-up survey to provide more feedback.

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# Session Agenda

10:00 a.m. Welcome/Housekeeping

10:05 CoP Business

10:10 Benchmarking Presentation

10:45 Open Q&A

11:00 Adjourn

# 2012 Benchmarking CoP Calendar

Month	Session	Presenter
February	Trends in Reinvesting in US Manufacturing 2010 (replay)	Harry Moser
March	Latest Best Practices in Supplier Category Management	KPMG/APQC
April	Sustainable Process Improvements	Mick Wilz
April	Role of KM in Growing US Manufacturing (Face-to-Face)	Various
May	Daman Products Company, Inc.'s Continuous Improvement Journey	Larry Davis
June	Report out from April face-to-face session on Growing US Manufacturing	CoP Steering Committee
July	The Latest Trends in Reinvesting in US Manufacturing	Harry Moser
September	The Boeing Min/Max Story	Brian D. Laughlin
October	The Boeing Company Lean + Overview	Dayde McLaughlin
October	Using Knowledge Management Strategies to Address Skills Gaps Today and in the Future (Face-to-Face)	Various
November	Cross-Industry Collaboration (Lehigh Valley Health Network)	Kathleen Sharp
December	TBD	TBD

Send your topic or presenter recommendations via the Q&A tab or email at [rwebb@apqc.org](mailto:rwebb@apqc.org).

# AME Events ([www.ame.org](http://www.ame.org))

- 11/02 Calgary, Alberta
  - Lean Office Workshop
- 11/06 - 11/08 Temecula, California
  - TWI-Job Instructions, Job Relations, Job Methods
- 11/06 - 11/07 Greensburg, Indiana
  - Toyota Kata at Delta Faucet
- 11/07 Milwaukee, Wisconsin
  - Lean Daily Management (LDM)
- 11/08 Johnston, South Carolina
  - Milliken - Lean Excellence Benchmarking Tour
- 11/13 - 11/15 Georgetown, Kentucky
  - DNA of Toyota's Manufacturing Flow
- 11/13 Columbus, Ohio
  - Cause Map Workshop
- 11/13 St. Charles, Illinois
  - Accounts Payable (AP) Process Kaizen Workshop
- 11/16
  - Engaging Executives in Lean Management
- 11/16 Des Plaines, Illinois
  - Leaning Out the Quality Management System Documentation

# APQC Activities

<http://www.apqc.org/events>

## ➤ Webinars

- November 7
  - APQC Member Orientation
- November 14
  - APQC Member Orientation (Professional Services)
  - APQC Finance Community of Practice
- November 15
  - APQC Knowledge Management Community of Practice

## ➤ Events

- APQC's 2012 Process Conference and Training (more next)
- Building Business Capabilities Conference (APQC Keynote)

## ➤ Open Benchmarking Activities

- Best Practice Project Management Offices
- Enhancing Idea Generation Through Collaboration
  - <http://www.apqc.org/best-practice-studies>

# Benchmarking Presentation The Boeing Lean+ Overview

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Dayde McLaughlin, Director - Lean+ Enterprise Initiative  
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All lines are muted. Please send your questions via chat to the Organizer.  
We'll cover them at the end of this session.



We WILL send out a link to the recording of the event in the coming days.





# Lean+ Overview

**Dayde McLaughlin**

Director, Lean+ Enterprise Initiative  
The Boeing Company

23 October 2012



# Agenda Topics

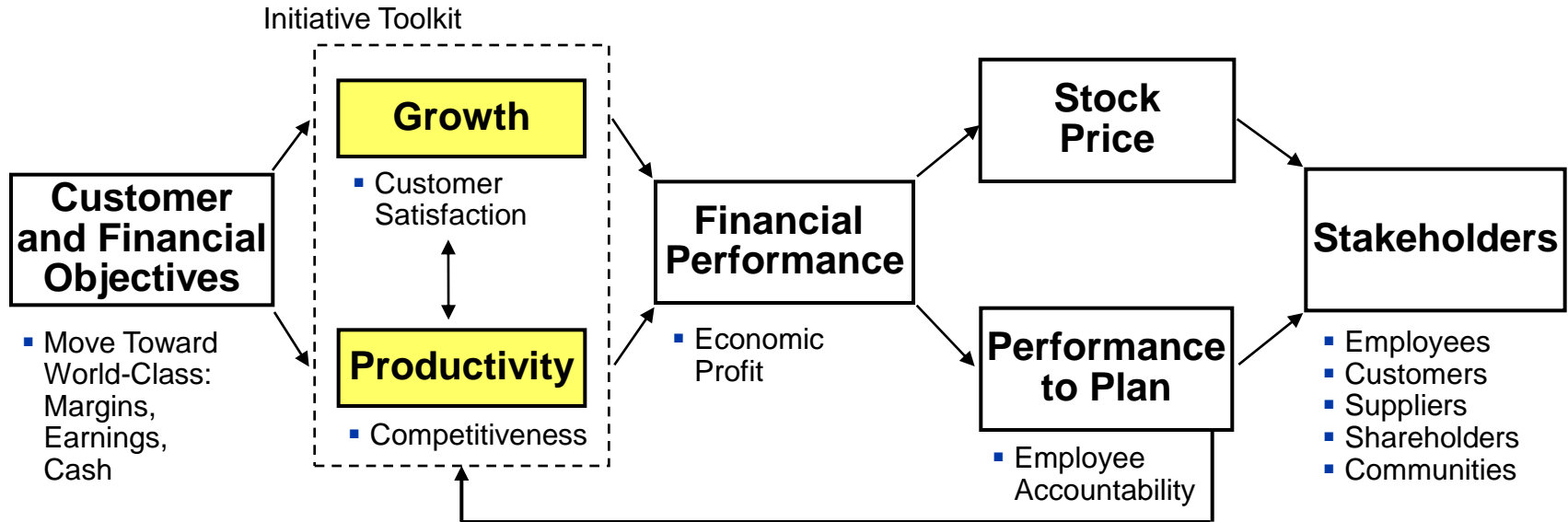
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- Journey and evolution of Lean+
- Describing Lean+ ...key components
- Lean+ in Action
- Shaping and embedding

# How We Operate: Boeing Management Model

CHARTS THE COURSE

SETS HIGH EXPECTATIONS



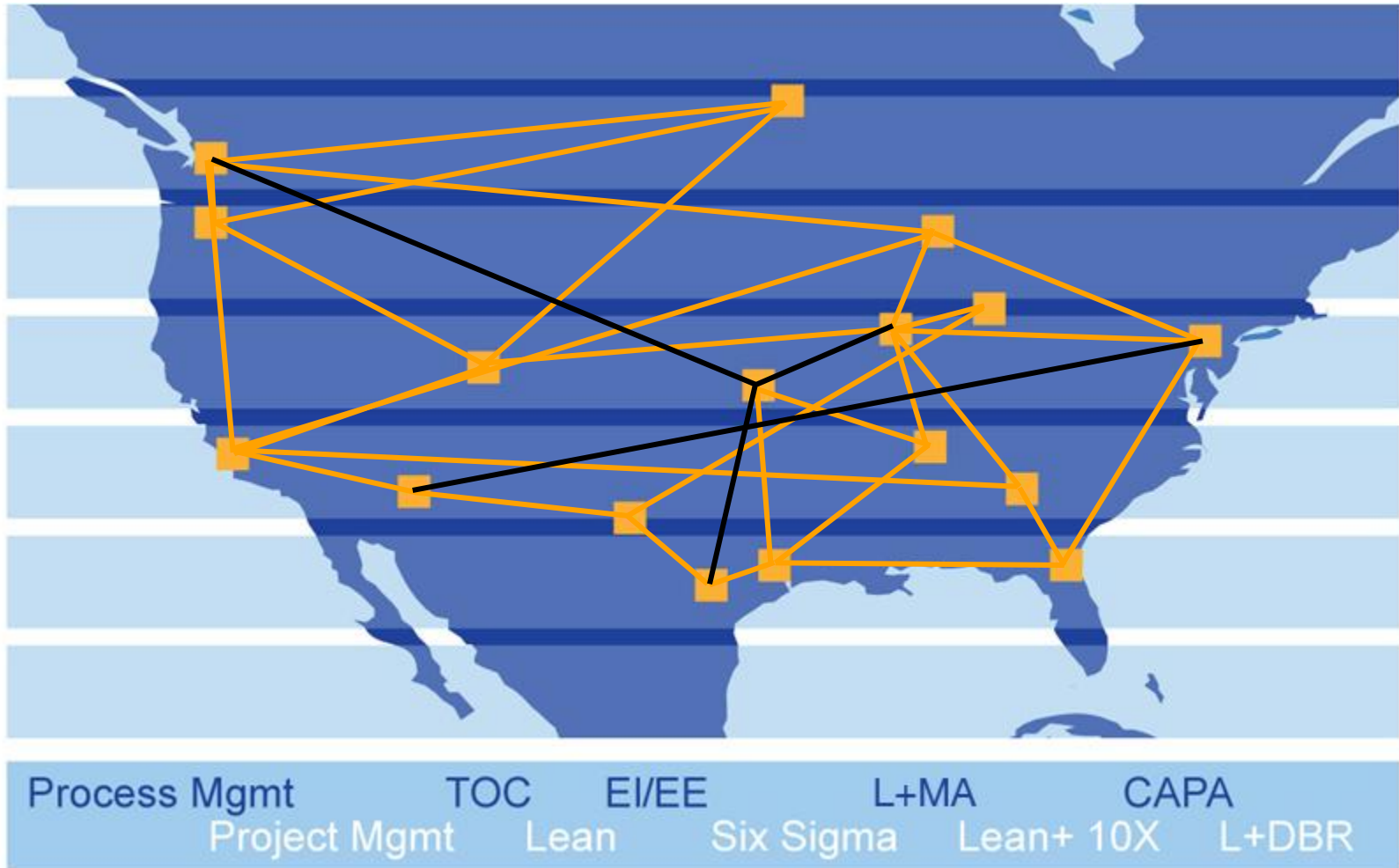
## Attaining World-Class Growth and Productivity:

- Committed, performance-driven management
- Maximize learning across the enterprise and from outside
- Adapt and apply learnings in clearly defined businesses

LIVES BOEING VALUES

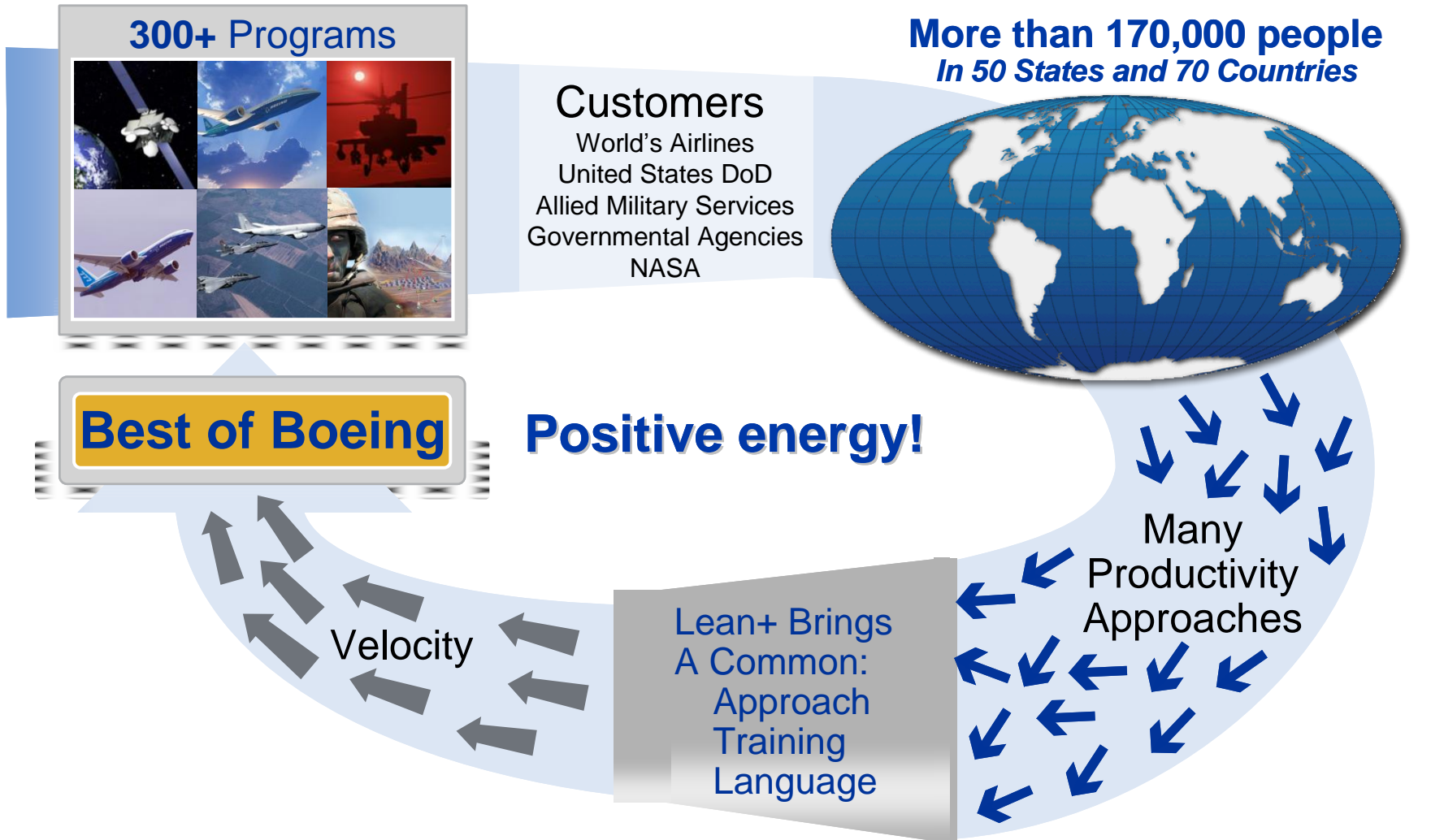
FINDS A WAY

# Evolution of continuous improvement - Lean+



***Where you stand ... depends on where you "sit"***

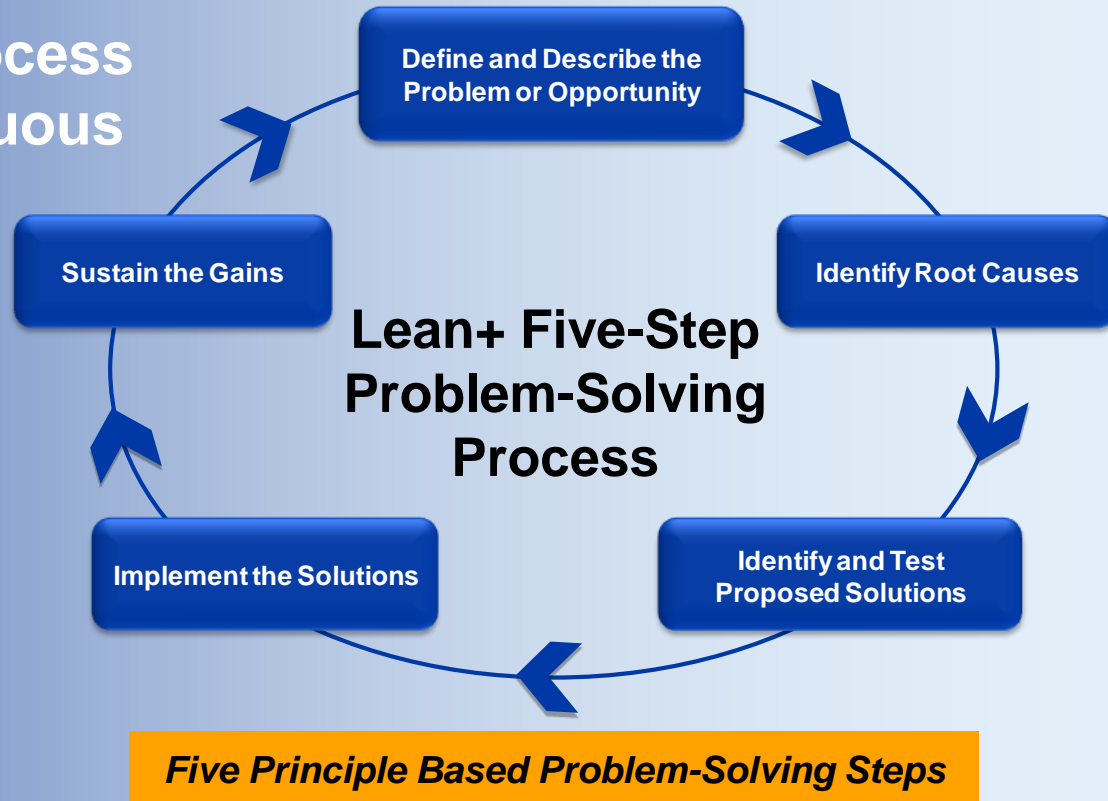
# Lean+ ... Tying it all together



# Lean+ --- Boeing's one overarching continuous improvement approach

The Problem-Solving Process is foundational to continuous improvement at Boeing

Proven continuous improvement methods and tools are integrated into the Process



*Continued Focus on the Application of Lean+ with Intent*

# Lean+ Elements

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Capability Maturity Model Integration

Corrective Action Preventive Action

Employee Involvement &  
Employee Engagement

Lean

Lean+ 10X Disciplines

Lean+ Design Build Roadmap

Process Management

Project Management

Six Sigma

Theory of Constraints

***Lean+ aligns and integrates the best of  
Boeing's continuous improvement approaches***

# Lean+ Elements

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Theory of Constraints

A process improvement maturity model for the development of products and services.

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***



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Theory of Constraints

Identifies the actionable root causes of a problem and implements actions that prevent the problem from happening again.

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***

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Theory of Constraints

Helps you engage employees by working together to increase ownership, responsibility, and accountability through continuous improvement of work, work environment, and relationships

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***

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Theory of Constraints

Identifies, prevents and eliminates waste throughout the value stream.

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***

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Theory of Constraints

Improves quality and the rate at which work is completed by focusing on finishing the priority work first.

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Theory of Constraints

A product design and build methodology that focuses on optimizing the design of the parts as well as the processes by which those parts are fabricated, assembled and installed.

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Theory of Constraints

Defines processes, establishes responsibilities, evaluates process performance, and identifies and enables opportunities for improvement.

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Theory of Constraints

Used to plan, monitor and control project activities and keep teams on track to meet project requirements

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***

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Theory of Constraints

A structured, data-driven approach to identify variation and reduce defects in products and processes.

***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***



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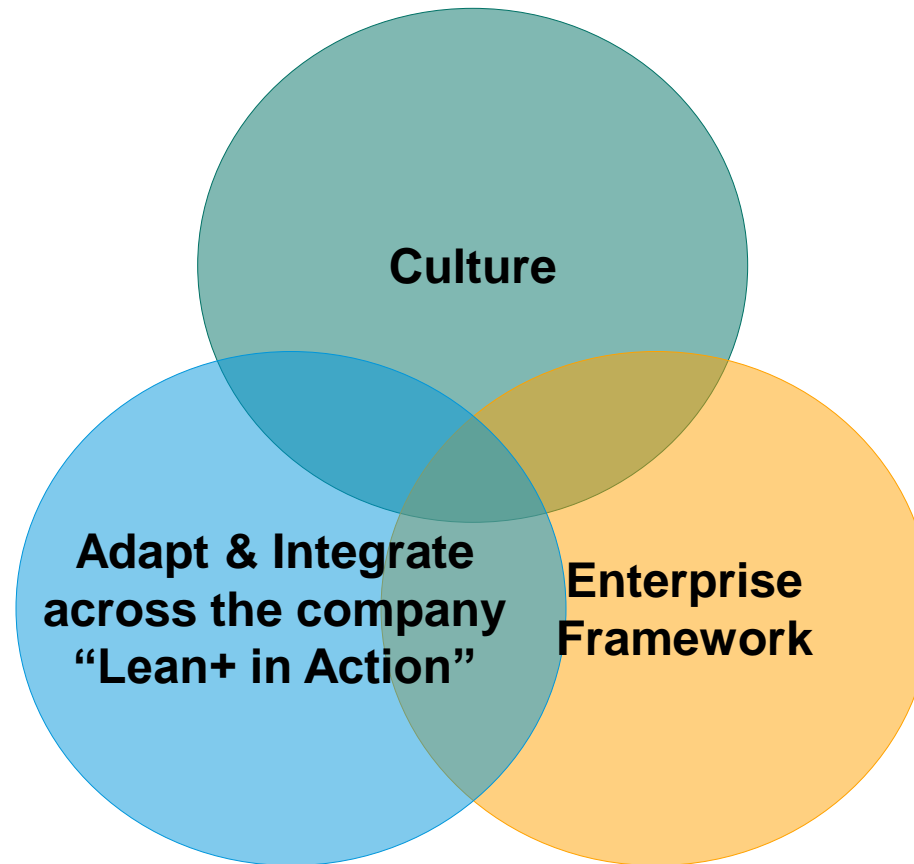
Theory of Constraints

Identifies and manages uncertainty and risk by strategically focusing limited resources on high-impact bottlenecks or constrained areas.

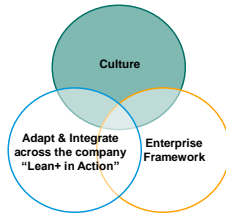
***Lean+ aligns and integrates the best of Boeing's continuous improvement approaches***

# Requires leadership, strategy, commitment, focus ... and a plan

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# Definition of Culture

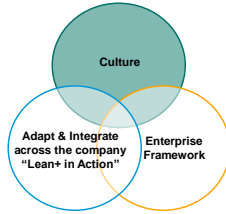


- Common set of expected and rewarded values and behaviors shared within a particular group.
- Common way of looking at and behaving that makes the world more predictable because one knows the “rules.”
- Underlying assumptions; climate, norms, symbols; shared meanings; formal philosophy; decisions and behaviors.
- Influenced by leadership, organization and processes.





# Definition of Culture

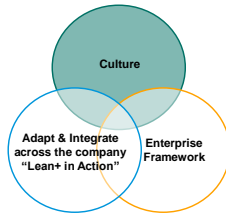


Leaders must cultivate the culture in their organizations

Cultivation is the relentless pursuit of the desired behaviors



# Definition of Culture

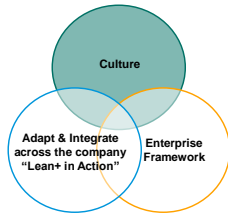


It is not a passive job





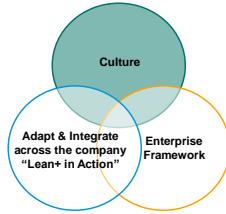
# Boeing Lean+



Culture is perishable



# Boeing Lean+



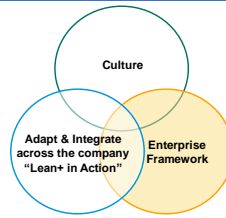
Jim McNerney  
Chairman, President and  
Chief Executive Officer

*“We are on a journey... to build the strongest, best – and best integrated – aerospace company in the world. That requires us to work in ways we never have... to take full advantage of the enormous capability across The Boeing Company.”*

***Lean+ is our foundational initiative, freeing up resources for growth through quality and productivity process improvement***



# Lean+ Principles



## Focus on the customer

- Ensure that promises made are promises kept
- Continuously add value for our customer

## Involve and engage people

- Empower them to design, operate, and improve their work
- Demonstrate how they fit in the big picture

## Expect, enable, and ensure first-time quality

- Prevent and eliminate waste
- Do it right the first time ... every time
- Recognize that quality is everyone's responsibility

## Collaborate and continuously improve our work

- Listen, learn, and teach
- Share and replicate

## Sustain the gains

- Incorporate improvement into daily work
- Make it the new standard
- Improve it again

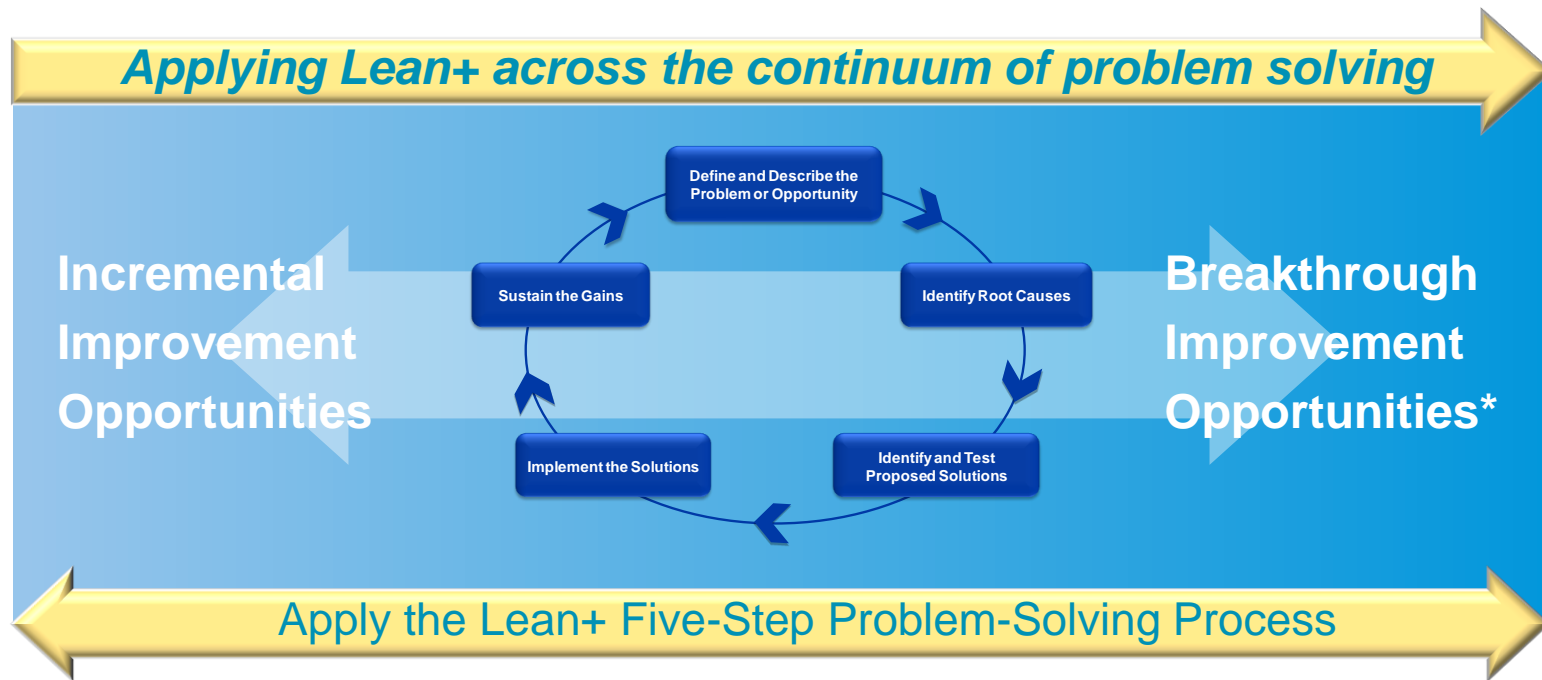
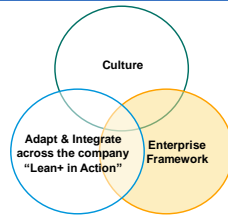
## Embrace and apply Lean+ across the value stream

- Reach beyond traditional organizational boundaries
- Identify improvement opportunities
- Optimize knowledge, skills and capabilities of Boeing people, partners and customers





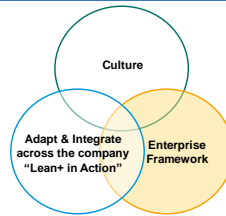
# Lean+ Problem-Solving Continuum



\*Step function change

***Our principled based Five-Step Problem-Solving process provides a foundation***

# Enterprise Lean+ Integration



## Applying Lean+ with Intent

### Enterprise Framework

- Integrated organization
- Management system
- Intellectual property
- Education
- Communicating and sharing
- Participate in Industry Councils / Forums
- Product / Service Integration & Management

### Partner/Consult on business solutions

- Large business system problems
- Design system problems
- Assist and assess maturity
- Integration of Lean+

### Design/deploy Lean+ Events

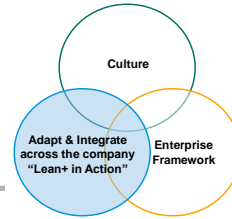
### Enterprise Products

- Lean+: Capturing the Value of Quality
- Common Language
- Enterprise Curriculum
- Lean+ Maturity Assist & Assess Methodology
- Lean+ Design Build Roadmap
- Lean+ Web site

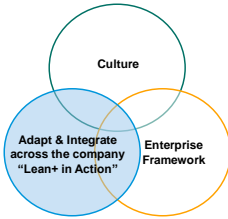
**Boeing's ONE Overarching Continuous Improvement Approach**

# Lean+ *In-Action*

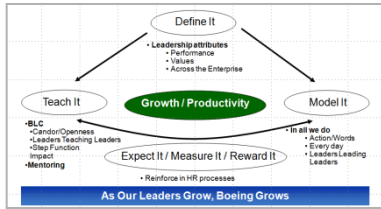
## Areas of Focus



***Lean+ ... Powered by the Passion and Innovation of our People***



# Lean+ ... Shaping and Embedding



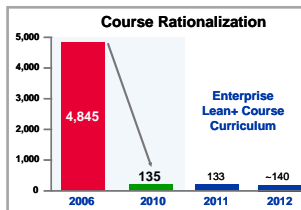
## Strong Leadership

- Vision and strategy ... consistent focus
- Sponsorship and engagement
- Enabling and setting expectations



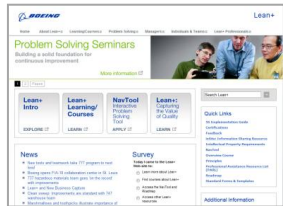
## Consistent Messaging

- Communication & marketing strategy
- Share and promote successes
- Integration with Lean+ Products & Services



## Standard Learning

- Aligned / Integrated enterprise curriculum
- Awareness, Application, and Mastery levels
- Learn-Do model



## Accessible Resources

- Enterprise Lean+ Website
- Entry points by primary user type
- Access to people, processes, and tools



## Adapt and Replicate

- Insite – Find-it, Ask-it, Share-it
- Collaborative “Knowledge Networks”
- Sharing and replicating successes

# Boeing Lean+



*Harnessing the energy ... Creating the power*

# Questions?

# Thank You for Attending!

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- Feel free to forward questions or recommended topics to [schandler@ame.org](mailto:schandler@ame.org)  
[rwebb@apqc.org](mailto:rwebb@apqc.org)