



THE EXECUTIVE'S DAILY GREEN BRIEFING

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Let 'Lean' Guide You To 'Green'

Catherine Greener
Vice President of Consulting
Saatchi & Saatchi S



I meet with too many organizations that are still addressing sustainability as if it's something new, something different, when in fact many of them have been working on it for over 30 years. They just know it by a different name, Lean.

Many of those companies are surprised to learn that they can take the tools, systems thinking and lessons learned from the process improvement methodology, Lean, and apply them effectively to the operationalization of sustainability.

What's Lean? It really does mean more than just being skinny. Some argue that Henry Ford really introduced the fundamentals of Lean when he established the manufacturing flow of Rouge River Assembly Plant in the 1920's and predicted the intersection of sustainability and manufacturing.

Henry Ford, in a 1934 interview with Modern Mechanix, envisioned a world where, "We shall be able to get out of the yearly crops most of the basic materials which we now get from forest and mine. We shall grow annually many if not most of the substances needed in manufacturing."

In other words, nothing was wasted, processes were streamlined and inventory was non-existent. These systems were introduced to accelerate and provide efficiencies for our Industrial Revolution.

But it didn't stop with Ford. Production systems were enhanced and adopted to the Japanese culture of team decision-making and the elimination of Muda, waste, futility or purposelessness. In the early 1980's, the Japanese exported improved products and processes through Just-in-Time, or Lean.

A Lean organization is specifically characterized by the elimination of the following seven wastes:

- Waste of overproduction (waste from faster than necessary pace);
- Waste of waiting;
- Waste of transport (conveyance);
- Waste from inappropriate processing;
- Waste due to unnecessary inventory (excess inventory);

- Waste due to unnecessary motion; and
- Waste due to defects.

What happens when a company adopts Lean? Processes are studied, problem-solving teams are established, process improvement methodologies are adopted, and employees accept new responsibilities and boundaries to improve their organizations and connect to customers and other stakeholders outside their traditional work responsibilities. Goals, such as “Zero Defects,” are adopted with tenacity.

We’re lucky enough to live in a time of a new Industrial Revolution. Sustainability is challenging us to re-examine everything, including the former linear model of Take-Make-Use-Waste and, instead, explore a circuitous model of Borrow-Make-Use-Return that will, theoretically, have no waste. Waste, by-products that are not inputs to another process, will then be viewed as a defect.

When companies expand the definition of waste to include not only product and process waste, but also the business consequences of unsustainable practices, Muda’s list of wastes takes a different form:

- Waste of natural resources
- Waste of human potential
- Waste due to emissions
- Waste from byproducts (reuse potential)
- Terminal waste, that is by-products that have not further usefulness
- Energy waste
- Waste of the unneeded (e.g., packaging)

When sustainability is viewed this way, it isn’t something new that has to be planned from scratch and agonized over. Instead, it can be integrated into existing continuous improvement programs - Lean, or even Six Sigma initiatives.

When the definition of waste is expanded and when it’s understood that the consequences of corporate decisions extend past the company parking lot, Lean can indeed be green.

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