10 Elements of a Sustainable Problem-Solving Culture

By Damon Baker

No organizational culture, large or small, is immune to problems. Problems are part and parcel of the challenges inherent in organizational management. Without them, organizations, like people, do not have the impetus to grow and adapt to internal and external drivers of change. The difference between a successful organization and an unsuccessful one is not only in how they solve their problems, but what systems and people they have in place to *keep* solving new problems as they arise. Verble defines a business culture thusly: "In part it is the business model, principles, practices, policies and values that define how the company does business, how it
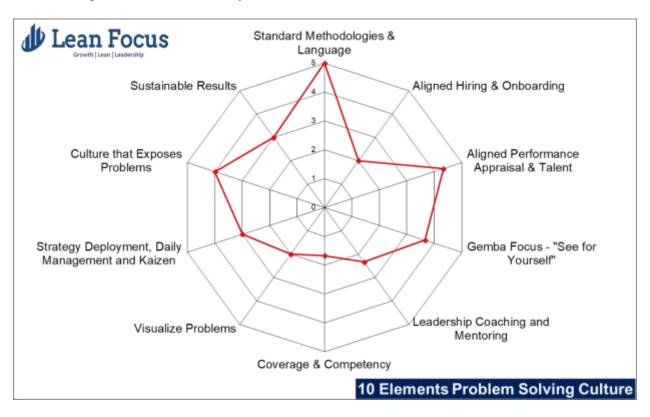
wants to treat its customers, and how its employees are expected to act toward another" (Verble, n.d.). A problem-solving culture, then, shows a commitment to growth and excellence in these areas by involving *all* its employees. Typically, five levels are used to measure the efficacy of an organization's problem-solving culture -- from Level 1 (undeveloped and indifferent) up to Level 5 (fully-committed and culturally ingrained). How well does your organization solve its problems? Which systems and people do you have in place to sustain your problem-solving culture? Below are the 10 elements of a sustainable problem-solving culture:

1. **Standard Methodologies & Language** -- Standard methodologies and language should show a high degree of consistency from department to department (as well as from employee to employee) within an organization. The absence of a systematic framework wastes time and assets through experimenting, using outdated methods, and/or overlooking crucial variables. Blaming, lack of data, jumping to conclusions is frequently observed in conversations of organizations with a Level 1 rating in this element. At the other end of the spectrum, a Level 5 organization continually learns, teaches, uses, and even *invents* scientific methods of continuous improvement on a daily basis. The organization asks coaching questions of other problem solvers as a way to develop the skills of others and follow the process successfully.

2. **Aligned Hiring & On-boarding** – A Level 1 organization's new hires are not given any formal problem-solving training or on-boarding experience to develop their problem-solving skills. Moreover, problem-solving skills are not interviewed for in a deliberate way. However, a Level 5 organization excels at aligned hiring and on-boarding, as it proactively assesses the capabilities and toolsets needed by function to determine what gaps exist to executing strategic plans. These skill-sets are built into the organization to achieve goals and objectives.

3. **Aligned Performance Appraisal & Talent** – At a Level 1 organization, one frequently encounters a pass-the-buck mentality, characterized by the following attitude: "Solving problems is the job of management. My job is to do what I'm told." One can only imagine the disastrous consequences such a lack of responsibility creates. At a Level 5 organization, values and principles (ways of working) in the organization are consistently aligned with the best practice principles of problem solving. In addition, individuals and teams are rewarded for demonstrating the preferred behaviors.

4. **Coverage & Competency** – Level 1 organizations are limited to *no* understanding of PDCA (Plan, Do, Check, Act) as a skill-set in the organization. To its detriment, the organization is not proactively considering how many people and what levels should be trained in the methodology. At a Level 5 organization, you will find that all levels of the organization have a deep understanding of PDCA and can execute the process and coach others in the organization. The organization also maintains a sustainable ratio of Master Trainers, Certified Trainers and Practitioners at all times.

5. **Visualize Problems** – With respect to problem visualization, a Level 1 organization has few or no visual controls in obvious sight. The few that exist might not have red/green coding or be understandable to a newcomer 10 feet away. However, at a Level 5 organization,

diverse visuals are used for all production and supporting operations. Even hidden computer data is made visual. Many charts are initialed several times a day by multi-tiered management, and visual data is regularly analyzed for continuous improvement.

6. **Gemba Focus** - **"See for Yourself"** – A glaring problem-solving lapse, a level 1 organization makes decisions based on opinions, prior years' experience OJT, or supposition. Decision making is subject to multiple cognitive biases. Often times, the most senior person's opinion on the team wins out as *the* direction to pursue, regardless of the merits of the idea or how the conclusions were drawn. Facts are routinely dismissed as not being important. A Level 5 organizational culture routinely demonstrates a scientific-method based approach (PDCA) to tackling problems. Data and facts are encouraged and on display throughout conversations and meetings at all levels of the organization. Furthermore, when associates do not "know" the answer, they do not jump to conclusions; rather, they seek more facts/data and direct observation as a team. Genuine intellectual curiosity, or a "thirst to know more", pervades.

7. **Leadership Coaching and Mentoring** – At Level 1 organizations, management does not really want to hear about problems. Their short-sighted mantras include: "Just find a way to meet the schedule," or "If it works, don't fix it," or better yet, "Problems float downstream - not upstream." At a Level 5 organization, every leader at every level knows how and when to use every major problem-solving method - and actually uses and mentors others to use several of them.

8. **Strategy Deployment, Daily Management and Kaizen** – At a Level 1 organization, few (if any) teams have a Team Accountability Board (Daily Management). When you ask, you might hear "Yeah, we've got a plan around here somewhere," or even "What's catch-ball?" At the opposite end, Level 5 organizations know Team Boards are the hub and heartbeat for every team. Any newcomer can quickly see what the team is working on and has recently accomplished. Strategy Deployment drives performance at every level of the organization. Catch-ball communication is bidirectional, invigorating, and game-changing. Kaizen is a way of life.

9. **Culture that Exposes Problems** – Level 1 organizations are typified by defensive reactions to often-blaming inquiries, e.g. "We've done a lot of improvements over the years," "This process is working well," and/or "Why are you picking on us?" At a Level 5 organization, every leader at every level knows how and when to use every major waste-identifying method - and actually uses and mentors others to use several of them.

10. **Sustainable Results** – Sustainable results are broken down into four sub-elements: stability, trend/level, alignment, and improvement. Not surprisingly, a Level 1 organization has low stability, a low level and poor trend, little alignment and improvement is marked by little to no systematic feedback. A Level 5 organization is stable and predictable (long-term maturity of 4-plus years), trending well above expectations with a high level of attainment, all measures align to corporate goals down to the lowest level, and improvement feedback is routine and inclusive, while almost all areas have goals that are both realistic and challenging.

Certainly, few organizations will score as high as a Level 5 in all 10 elements, but mid-range scores (such as 2,3, or 4) are also possible, making for a telling graphic (see below) of an org's quantifiable strengths and weaknesses. Organizations can and do improve their performance in regard to the ten elements. The lean journey is exactly that – a journey, not a destination. Implementing a problem-solving culture is not an overnight process and everyone on-board should not expect an immediate protocol for long-term problems, problems which may have taken root and festered for years. It takes time to nurture an organization's problem-solving culture along its arc toward maturity.

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BACKGROUND

Damon is the President & CEO of Lean Focus. For over 25 years, he has been implementing lean in consulting, operations, continuous improvement, and GM & VP-level leadership roles for such companies as Danaher, HNI, Eaton, Argo Consulting, Experian, and Winegard.

Trained by disciples of the Toyota Production System, he worked in a Shingo Prize winning facility and is a Shingo Prize Examiner. Over his career he has demonstrated hands-on leadership and facilitation of 500+ kaizen events for 50 major corporations in 16 different countries. Damon led the North American Danaher Business System Office. While at Danaher, one of his mentored operating companies was nominated Most Improved Plant, and one of his factories won Best Plant Worldwide 2 years in a row. Damon holds an MBA from St. Ambrose University and a Bachelors of Arts in Management and Marketing from Iowa Wesleyan University.

INDUSTRY EXPERIENCE

Aerospace and Defense, Automotive, Electronics, Capital Equipment, Chemicals, Protective Packaging, Residential Construction Materials, Water Quality, Dental, Test & Measurement, Sheet Metal Fabrication, Life Sciences, Medical Devices, Discrete Assembly, Oil and Gas.

LEAN EXPERIENCE

Building/Installing Problem Solving & Kaizen Cultures, Operational Due Diligence, Acquisition Integration, Strategic Planning & Policy Deployment, Sales Force Efficiency & Effectiveness Tools, Pricing Margin Analysis, Transactional Kaizen, EBITDA focused operational improvements, Cellular Manufacturing, 6S & Visual Management, Standardized Work, Mistake Proofing (Poka Yoke), Visual Controls, Setup Reduction (SMED), Total Productive Maintenance (TPM), Daily Management Processes, Leader Standard Work, Working Capital reduction via Kanban & Pull Based Inventory tools, DSO Reduction, and Accounts Payable processes, Value Analysis & Engineering, 3P, Accelerated Product Development Tools.

References

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