Lean Benchmarking

How well are you performing?

Mark Knowlton MBA
Purpose of Benchmarking

To compare against a standard point of reference

A systematic process for identifying and implementing best practice.

In practical terms...
It’s about learning from the experiences of others
Types of Benchmarking

- Informal Benchmarking
- Formal Benchmarking
  - Performance Benchmarking
  - Best Practice Benchmarking
What is LeanBenchmark?

- An online tool comparing Lean performance
- Assessment, Analysis, Recommendations
- Personalised LeanBenchmark™ Report

www.LeanBenchmark.org
# Sector data

<table>
<thead>
<tr>
<th>Sector</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>68</td>
</tr>
<tr>
<td>Healthcare</td>
<td>28</td>
</tr>
<tr>
<td>Automotive</td>
<td>21</td>
</tr>
<tr>
<td>Furniture</td>
<td>16</td>
</tr>
<tr>
<td>Aerospace and defence</td>
<td>15</td>
</tr>
<tr>
<td>Finance / Professional services</td>
<td>11</td>
</tr>
<tr>
<td>Food and Horticulture</td>
<td>9</td>
</tr>
<tr>
<td>Construction products</td>
<td>8</td>
</tr>
<tr>
<td>Printing</td>
<td>3</td>
</tr>
<tr>
<td>Marine</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>195</strong></td>
</tr>
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</table>

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Data Integrity

• Core data from independent assessments
• Online assessments vetted
• Spurious online ‘tests’ removed
Company Size mix

- 0 to 9: 11%
- 10 to 99: 11%
- 100 to 999: 22%
- 1000 to 9999: 48%

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Current Users - sample

- ercol
- NHS
- Cummins
- TRUMPF
- IBM
- Lenovo
- SaraLee
- ThyssenKrupp
- Eaton
- Volvo
- H+H
- Celcon
- Vopak
- Genzyme
- Opies
- Muraspec
- Invensys Controls
- Rolls Royce
- SPI
- WEHR
- STi Group
- Nuair Group
- Siegrist-Orel
- Manhattan
- Lohmann
There were a number of benefits to our organisation; this gave us independent feedback on the status of our lean implementation, it also allowed us to compare and highlight strengths and weaknesses with others in the lean community and analyse our current status.

The gap analysis offered useful suggestions for improvement projects. The assessment also focused on cultural and organisational transformation rather than just the individual uses of lean tools.

Philipp Schuell (Lean Specialist) Trumpf GmbH & SPI Lasers Ltd.
If you are interested in making improvements within your business then I would seriously recommend that you consider using this tool as a part of your continuous improvement tool kit. It really helped to put my company’s Lean competencies into perspective so that we could look into the future with clear goals ahead of us. Overall I am very happy with the online Lean Benchmarking tool and with the after service provided.

The questions are clear and understandable. The report generated after the questionnaire is submitted is very in-depth. All of the information and help provided is clear, down-to-earth and informative.

Keiven Smith (Project Engineer) Cobham Microwave Ltd

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The benchmarking process has been really valuable, it enabled us to consider how well we are doing and **where we need to focus next**. It wasn’t just about seeing how well our score compared to others (although obviously this was very interesting) the recommendations within the report meant we could identify what we needed to do next.

We have now started to **build our lean road map with lean objectives linked directly to the Genzyme businesses goals**.

Lesley Coombes (Lean Transformation Manager) Genzyme Ltd
8 Key Competencies

1. Lean Leadership
2. Customer Focus
3. Empowerment
4. Communication
5. Core Processes
6. Machines and Equipment
7. Support Processes
8. Supply Chain

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1. Leadership

- Lean strategy & objectives linked to business plan
- Management visibility – “GEMBA” walks
- Recognise and celebrate success.
2. Customer Focus

- Quality – Be proactive, fix the root cause
- Schedule completion - On Time In Full (OTIF)
- Industrial marketing - Factory is a “Showroom”
3. Empowerment

- Develop motivated, Self Directed teams
- Shop floor ownership of continuous improvement
- Allow staff to redesign their own processes
4. Communication

• Open – two way, encourage feedback
• Communications plan, daily - weekly - monthly
• Team display boards
5. Core Processes

• Begin with 5S – workplace disciplines
• Value Stream Mapping to identify savings

VALUE STREAM MAPPING

Step 1  Map the ‘Current State’
- Capture ideas
- Identify Quick wins

Step 2  Agree the ‘Future State’ vision

Step 3  Map the ‘Future State’ process

Step 4  Project Scoping

Step 5  Implementation
6. Machines and Equip’

- Maintenance Plan
- Daily Operator checks and Technician?
- SMED + TPM

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7. Support Processes

- HR, IT, Engineering’s role = support Manufacturing
- KPI’s Balanced Score Card Approach

Balanced Score Card example

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8. Supply Chain

- Procurement Strategy, Portfolio Planning
- Develop appropriate supply solutions:
  Kanban - Consignment - Vendor Managed – JIT

[Diagram showing a matrix with axes for Value and Volume, with compartments for Critical, Strategic, Tactical, and Leverage categories, each containing different strategies like Contingency Planning, Build Partnership, Contract Out / Kanban, and Short term agreements.]
Online self assessment

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Online self assessment

**LeanBenchmark™ Free Trial**
- Self Assessment of 8 Lean Competencies
- Lean Performance Summary
- Lean Performance Rating the 8 Lean Competencies
- Personalised Lean Benchmark Report (pdf download)
- Your Performance Compared to all Industries
- Your Performance Compared to Your Sector
- Key Recommendations and focus for Improvement
- Lean Benchmark Account
- 4 Assessments Over 12 Months
- View Previous Results Online for Comparison

To see how LeanBenchmarking works try it out **free of charge**

**Start Free Trial**

**LeanBenchmark™ Advanced**
- Self Assessment of 8 Lean Competencies
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Start LeanBenchmarking with all the tools above for **only £99 + vat**

**www.LeanBenchmark.org**
Step 1 - Register

Organisation Details

Please provide the following details about the organisation being benchmarked:

- Company Name
- Industry Sector
- Title
- Full Name
- Job Title
- Email
- Address
- Post Code
- Telephone
- Employees
- Turnover

Lean Leadership
- Score: Not Complete

Customer Focus
- Score: Not Complete

Empowerment
- Score: Not Complete

Communication
- Score: Not Complete

Core Processes
- Score: Not Complete

Machines & Equipment
- Score: Not Complete

Support Processes
- Score: Not Complete

Lean Supply Chain
- Score: Not Complete

Total
- Total Score: Not Complete

Next

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## Step 2 – self assessment

### Lean Leadership

<table>
<thead>
<tr>
<th>Description</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation's vision, mission and goals are written down; the objectives are measurable and are understood at all levels</td>
<td>1</td>
</tr>
<tr>
<td>Staff can accurately describe the organisation's objectives and how their job contributes to the achievements of those objectives</td>
<td>0</td>
</tr>
<tr>
<td>There is a Lean strategy and the organisation's goals are linked to the implementation of Lean principles</td>
<td>0</td>
</tr>
<tr>
<td>Senior Managers are regularly seen on the &quot;shop floor&quot; discussing current issues and improvement programmes with teams</td>
<td>0</td>
</tr>
<tr>
<td>A non-blaming culture, fact-based, process driven atmosphere exists throughout the organisation</td>
<td>0</td>
</tr>
<tr>
<td>The roles, responsibilities and accountabilities of team leaders, supervisors and managers are clearly set out and published</td>
<td>0</td>
</tr>
<tr>
<td>Promotions, pay and rewards are decided in a fair and structured way. All staff understand how their Team Leader or Manager rates their performance</td>
<td>0</td>
</tr>
</tbody>
</table>

Score: 21% **POOR**
# LeanBenchmark Results

<table>
<thead>
<tr>
<th>Categories</th>
<th>Score</th>
<th>Sector</th>
<th>Total</th>
<th>Radar Chart</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Categories</td>
<td>59.4%</td>
<td>GOOD</td>
<td>46.4%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Lean Leadership</td>
<td>67.0%</td>
<td>GOOD</td>
<td>50%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>57.1%</td>
<td>GOOD</td>
<td>52.1%</td>
<td>GOOD</td>
</tr>
<tr>
<td>Empowerment</td>
<td>46.4%</td>
<td>FAIR</td>
<td>41.4%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Communication</td>
<td>64.3%</td>
<td>GOOD</td>
<td>46.4%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Core Processes</td>
<td>39.3%</td>
<td>FAIR</td>
<td>36.4%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Machines &amp; Equipment</td>
<td>42.9%</td>
<td>FAIR</td>
<td>35.7%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Support processes</td>
<td>82.1%</td>
<td>WORLD CLASS</td>
<td>56.4%</td>
<td>GOOD</td>
</tr>
<tr>
<td>Lean Supply Chain</td>
<td>76%</td>
<td>GOOD</td>
<td>52.9%</td>
<td>GOOD</td>
</tr>
</tbody>
</table>

[www.LeanBenchmark.org](http://www.LeanBenchmark.org)
Step 4 – Download your Report

Overview

Summary

The results show that your organisation has mastered some of the key elements of Lean. However, there is no room for complacency; many of your competitors are continually seeking ways to take performance to the next level.

Recommendations

1. Review the detailed recommendations made in the Leanbenchmark report. Share this report with key influencers within your organisation; agree how best to take this forward. Use the benchmark data to compare performance with others in a similar sector; identify the focus for improvement and critical next steps which make best use of your time and resources.

2. See how others have successfully implemented Lean. Best Practice visits provide an excellent source for ideas, motivate improvement teams and can help maintain the momentum of your Lean journey.

3. An independent, impartial assessment of current Lean performance can help to refocus existing continuous improvement activities or can be used as a way to kick start a new change programme. An external Lean specialist could carry out a Lean benchmark audit across your organisation and provide valuable feedback and advice. Even the most experienced Lean practitioners can always learn from others.

Advanced Report

Download your personalised LeanBenchmark report, compare your results and identify opportunities to increase productivity and performance.

Specialist Lean Audit

Arrange for a lean specialist to carry out a lean audit of your organisation.

Specialist Advice

Discuss your results with a lean specialist.

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Account

Congratulations and welcome to Advanced LeanBenchmark™, your account is now set up.

The buttons below indicate the status of your 4 LeanBenchmark™ self assessments. Completed self assessments can be reviewed at any time and the Benchmark report downloaded as and when required.

Whilst the results of each assessment cannot be changed once submitted, you can edit your profile if required to change or amend the front page of the PDF report.

You may find it useful to download and print off a blank hard copy to pass to your team to involve others within your organisation. When you have reached a consensus, enter the results online to see how this compares with your own assessment.

Your Profile

Name: Andrew Barton
Company: N E Hertfordshire NHS Trust
Sector: Healthcare
Registered: 5/3/2010

[Four buttons: Completed (Date: 5/3/2010), Not Completed (Date: n/a), Not Completed (Date: n/a), Not Completed (Date: n/a)]

View this Report
Start Benchmarking
Start Benchmarking
Start Benchmarking

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### Results

<table>
<thead>
<tr>
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<th>Sector</th>
<th>All</th>
<th>Radar Chart</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Categories</td>
<td>58.9%</td>
<td>GOOD</td>
<td>50%</td>
<td>FAIR</td>
</tr>
<tr>
<td>Lean Leadership</td>
<td>64.3%</td>
<td>GOOD</td>
<td>50.5%</td>
<td>GOOD 47%</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>71.4%</td>
<td>GOOD</td>
<td>55.4%</td>
<td>GOOD 50%</td>
</tr>
<tr>
<td>Empowerment</td>
<td>53.6%</td>
<td>GOOD</td>
<td>54.1%</td>
<td>GOOD 47.7%</td>
</tr>
<tr>
<td>Communication</td>
<td>64.3%</td>
<td>GOOD</td>
<td>47.8%</td>
<td>FAIR 41.4%</td>
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<tr>
<td>Core Processes</td>
<td>57.1%</td>
<td>GOOD</td>
<td>45.1%</td>
<td>FAIR 41.1%</td>
</tr>
<tr>
<td>Machines &amp; Equipment</td>
<td>57.1%</td>
<td>GOOD</td>
<td>45.9%</td>
<td>FAIR 39.6%</td>
</tr>
<tr>
<td>Support processes</td>
<td>60.7%</td>
<td>GOOD</td>
<td>58.2%</td>
<td>GOOD 54%</td>
</tr>
<tr>
<td>Lean Supply Chain</td>
<td>42.9%</td>
<td>FAIR</td>
<td>43.4%</td>
<td>FAIR 44.1%</td>
</tr>
</tbody>
</table>

This shows your score compared to the average. How does your score compare to the very best?

[www.LeanBenchmark.org](http://www.LeanBenchmark.org)
Results

<table>
<thead>
<tr>
<th>Categories</th>
<th>Score</th>
<th>High</th>
<th>Low</th>
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</thead>
<tbody>
<tr>
<td>All Categories</td>
<td>68.0%</td>
<td>GOOD</td>
<td>19.1%</td>
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<tr>
<td>Lean Leadership</td>
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<td>Customer Focus</td>
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<td>GOOD</td>
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<td>12.8%</td>
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<td>Support Processes</td>
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<td>36.7%</td>
</tr>
<tr>
<td>Lean Supply Chain</td>
<td>42.9%</td>
<td>FAIR</td>
<td>10.7%</td>
</tr>
</tbody>
</table>

This shows your score compared to the very best performers (Top 5%) and the lowest (Bottom 5%).

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Summary

1. Identifies strengths and weakness
2. Benchmarks performance
3. Targets resources effectively
4. Helps fresh continuous improvement activity
5. Web based – quick and easy to use
6. Engages the whole team in change

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