

Patrick Spear, CEO of The Identity Group, was once skeptical that lean would benefit his company. Today, he sees lean as the key enabler of growth and profitability.

Q: You had no experience with lean before taking on your current role. What made you believe?

It started with our financial partners [Saw Mill Capital] enlightening me about some of the things they saw that — perhaps because I was too close to the business or hadn't experienced lean — I didn't see. But when we really started digging in around improvements, the power of lean became clear. It was after our second kaizen event at our Cookeville [Tenn.] facility with improvements in flow, changeover, set up, and space allocation. I hadn't experienced anything like that.

Q: What did you think about lean before that?

I was skeptical. I wasn't sure how it was going to apply to us based on wiring — what I had been taught in prior years. There was a perception under past management that in a custom-product setting such as ours, it would be difficult if not impossible to go lean, and that lean applied only to stock-product manufacturing. But we have found it to be just the opposite.

Q: Can you give an example?

If you do the things that lean allows you to do, you can pick up business that others find unattractive because they are not lean. That leads to all sorts of opportunities in the marketplace. We think about share growth and picking up incremental pieces of business based on this, and we don't see that a lot of our competitors are doing the same.

Q: Up to now, you've been a sales and marketing guy. How do you like working with operations?

It's been a really great experience, and quite frankly, one that I didn't expect. My experience had been with manufacturing specifically, and not lean. The operations team gets out there and does it, and you [as a leader] support them and challenge them. But lean provides the opportunity to have an entirely different conversation with your operations team and enable a completely different level of empowerment.

Q: How did that change how you lead?

I had a traditional view of manufacturing, where the VP of Operations really drives everything. But when you look at manufacturing in a lean setting like ours — managers, supervisors, our KPO (kaizen promotion office) and our VP of Operations all work together. It's much more liberating for me, and it makes my job easier. Because we've gotten away from our top-down focus, I have more confidence that they understand the concepts of lean and the transitioning of the organization to lean; and that they will stay on task. This frees me up so I can spend more time elsewhere adding value to the organization.

Q: How so, specifically?

I tend to think a lot about the customer experience and how I can enhance it. So much so that because I don't have to focus on day-to-day operations management, I can go out and engage with the customer and find new ways to grow. That's a direct correlation.

Q: Sales people often have a hard time accepting a lean transition. How did you get your sales team on board, and how do you continue to engage them?

It's true you'll get skeptics, a lot of people with the "show-me" mind set. But it came down to a couple of simple concepts — quality and lead time. They can now translate lean into what it means for the customer in terms of the enhanced customer experience. If we have competitors who are quoting 15 days, and we can do it in 10 with enhanced quality, then the sales people have a better story to tell. If lean isn't at the top of their list during conversations with customers, I challenge them to talk about how lean is changing how we are thinking and acting as a company. You can talk about products, and service, and design; but what it really comes down to is that we should talk about our ability to give customers what they want when they want it.

Q: Are you having more fun because of lean?

Yes. If we extract the current business conditions and look at our processes and work before we went to lean, there is no question. It's a lot of fun. We are fortunate to have a financial partner that supports lean, and quite frankly, introduced us to it.

Q: You are a huge fan of policy deployment. How come?

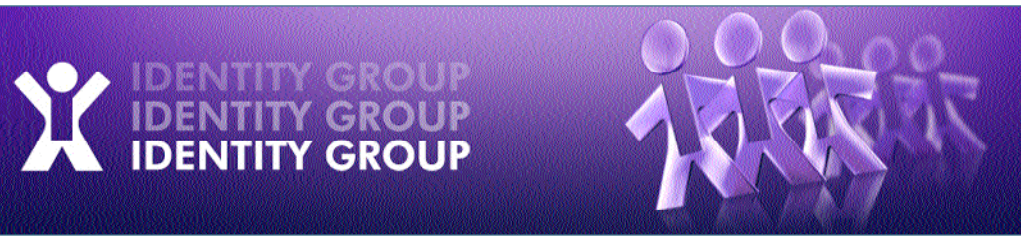
It's my nature personally and as a leader to go after several things simultaneously, perhaps to the detriment of the organization. I'm a high-energy adrenaline junkie who says "Let's go chase it!" Policy deployment has required us to focus on those things that we are going to hold ourselves accountable to and to get the whole organization thinking about what we need to do to succeed.

Q: Do others on your team feel the same way about policy deployment?

Everyone on my team has really embraced this process in terms of sitting down and determining what it is that we really believe, really hashing it out, digging in, and getting our hands dirty. It enables us to come out with a real commitment to what we have to do. We started with four specific initiatives in 2008. We had four in 2009; and now, surprisingly, we've narrowed it to three in 2010.

Q: It sounds as if the experience made you question how you ever succeeded without policy deployment. Is that true?

It really has. I can't imagine, going forward, not using it in any business situation. If I ever found myself in a business where we weren't using lean and policy deployment, the first thing I would say is "When do we start?"



Q: Despite policy deployment, I'm sure you have a lot of things competing for your attention. How to you personally keep focused?

I'm a list-driven person. With all the stimuli and incoming messages, it's a lot more difficult than when I used a paper-based day planner. Now, when I start my [Internet] browser every day, my deployment [dashboard] immediately comes up so I can see how we are doing against our [goals] and what's coming up. Plus, I try to walk the shop floor everyday, and I have a series of regular calls [with staff members].

Q: Many times when people embrace lean in the workplace, they try to apply the principles to their personal lives with mixed results. How about you?

I'm married to a woman who, without knowing 5S, embodies every aspect of 5S. So I'm fortunate in that regard. But my children are in elementary school, and I've started thinking about their homework and chores in terms of standard work. I find myself having this conversation with them as if they are knowledgeable adults who understand lean. "Guys come on. Do your stan-

dard work. Let's go." But then I chuckle and realize I need to talk them differently to get them to do what I want them to do. But you're right. You cannot separate your work life from your home life once you start learning about lean.

Q: Do you think lean will be your legacy at Identity Group?

No, because this is a collaborative effort. It's not about me, and it's never been about me. It's about our customers and what we do for them. I have two quotes I'm fond of. The first is "Ego is the drug of stupidity." I don't know who said it, but I really believe that. The other one is from [former U.S. Army Chief of Staff] Gen. Eric Shinseki: "If you don't like change, you're going to like irrelevance even less." Those two combined really speak to what I try to affect here, which is a focus on the customer, the need to change, and the importance of humility. Those are things we are trying to imbue, and lean is an excellent way to do that. ■