

# Upskilling managers on how Lean and sustainability interrelate

## The importance of knowledge in evolving an efficient organizational culture

Organizations that implement Lean are connecting themselves, whether consciously or not, with principles that underpin sustainability; for example, waste reduction and enhancing the experience of employees in their work environment. A case study by Anna Mårtensson *et al.* (2019) explores whether a Lean approach links with sustainability in the minds of those leading an organization through an early stage Lean implementation. Interviews were conducted with the managers of four separate clinics in a multiple site public sector organization that provides dentistry services. The interviews took place 18 months after the organization had begun implementing Lean, with a focus on manager perceptions on Lean's purpose, on what they expected it to achieve, and on their understanding of Lean's core elements.

### Pairing a Lean approach with sustainable development

Sustainability in business can be understood as a philosophy of not causing damage for future generations while servicing present operational requirements. Furthermore, sustainability can be viewed as a fusion of three aspects: society, the economy and the environment. Lean is a management system for developing organizations, through methods and tools that focus on achieving operational perfection. Characteristics of Lean include long-term thinking, managing waste to minimum levels and promoting a culture of continuous improvement. Therefore, implementing Lean management involves an ongoing commitment.

The paper identifies the following eight dimensions that link Lean and sustainability:

- (1) stakeholder value, which takes into account the requirements of stakeholders with a third party interest;
- (2) continuous improvement;
- (3) transparency;
- (4) reducing waste and reducing resource use;
- (5) increasing quality;
- (6) ethics, which includes employee engagement and legal compliance;
- (7) long-term thinking; and
- (8) taking a system view of value throughout the supply chain.

### The findings

As a result of respondents being asked the two main questions "What do you see as the purpose of working with Lean" and "What are your objectives for introducing and working with Lean?", the study's general result is that of the four clinics, not one clinic demonstrated all eight of the dimensions linking Lean with sustainability.



Clinic A's results revealed that seven of the eight interlinkages were present, with ethics, stakeholder value and continuous improvement being the dimensions most mentioned by respondents. Lean's positive impacts at this clinic were reported as improving the patients' experience by reducing appointment queue times. Increasing engagement within the clinic helped fuel this by making staff more aware of the patients' perspective. Greater engagement was also facilitated by forming improvement groups, and store room supplies were stripped back to encourage resource use reduction. The clinic's manager envisioned staff driving continuous improvement independently. This successfully manifested through employees sharing their wins with each other on the company's intranet, as a way of efficiently transferring knowledge.

Clinic B's results revealed interlinkages in seven of the eight dimensions, since transparency was not mentioned by the respondents. Continuous improvement was the most mentioned dimension here, which was achieved by forming improvement teams. The numerous teams met every day and involved all employees, and their insights prioritized a long-term thinking approach to the future development of the business. Freeing up staff resources by reducing waste and furthering the quality of service provided both proved to be engagement vehicles that produced greater job satisfaction among employees.

Clinic C's manager hoped that implementing Lean would build an efficient machine capable of curing their procrastination. This clinic's results included just four of the eight dimensions, with continuous improvement being the most mentioned element. A big win here was the reduction of time-wasting activities. Finally, Clinic D reported five of the eight Lean-sustainability linkage dimensions. Waste was reduced by this clinic holding only the materials that were really needed. Continuous improvement was compounded through the organization using the staff intranet to share Lean-related tips. As a result of this collective habit being formed, a truly positive team culture of continual learning and improvement became embedded. Overall, therefore, only early stage success can be seen in the respondent organization, based on the inconsistent results observed across four of its constituent clinics.

### **A focus on manager mindsets**

The study's results demonstrate that implementing Lean practices is a viable route for introducing sustainability into a business, since Lean practices are compatible with sustainable values. Weak engagement and leadership are the main contributing factors to the failure of the vast majority of Lean implementations. This punctuates the crucial role managers play in guiding employee behavior and in thereby developing an organizational culture that's supportive of the implementation. Here the manager's own values and beliefs become a key success factor for Lean adoption, as gaps in a manager's knowledge regarding Lean and sustainability practices can stunt the formation and consolidation of the desired culture. One piece of advice the authors offer, therefore, is that organizations consider recruiting managers who already have a good level of Lean knowledge.

The lack of an aligned understanding of the concept of Lean and its implementation across the respondent clinics highlights the challenge of nurturing an aligned culture spanning multiple locations and teams. The apparent limited level of managerial understanding of Lean and how it links with sustainability leaves room for improvement through proactive training, rather than organizations passively relying on the slow and unreliable route of hoping that managers learn organically from failed implementation attempts. Upskilling managers across the whole organization on a consistent definition of Lean would be a well-grounded first step in a comprehensive Lean-based training program.

**Commentary**

The review is based on “Interlinking Lean and sustainability: how ready are leaders?” by Mårtensson *et al.* (2019). This case study concentrates on how Lean management and sustainability interlink, following interviews with managers at four dental clinics within the same organization. Although a number of interlinkages were reported across the four clinics, their inconsistency demonstrates a relatively crude level of managerial knowledge about Lean and how Lean practices can be implemented according to sustainable principles. Improving managers’ knowledge through training is therefore a route to increasing the low success rate of Lean implementations.

**Reference**

Mårtensson, A., Snyder, K. and Ingelsson, P. (2019), “Interlinking Lean and sustainability: how ready are leaders?”, *The TQM Journal*, Vol. 31 No. 2, pp. 136-149, available at: <https://doi.org/10.1108/TQM-04-2018-0046>