



OBEYA

**Developing the Brain
Of the Lean**

Healthcare Enterprise



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(910) 217-LEAN
Twitter @LeanLeaderWay**

What We Will Cover Today



- What is an Obeya
- Obeya as Lean Culture Accelerator
- Obeya as a Leadership Development Platform
- Types of Obeya in Toyota
- How to Get Started
- Organize for Flow and Connections

- Your Questions

What is an Obeya?





BIG ROOM



A Room with a View



- The **Obeya**, or “**The Big Room**”, dates back to its early days of Toyota, in Japan.
- Toyota’s Corporate HQ in Japan are large open office areas without the isolationism created by offices and cubicles.

The Universe's Most Famous Obeya



The bridge of the Starship Enterprise is an Obeya

NASA's Johnson Control Center aka "Houston"



Another Famous Obeya

My Background with Obeya's The Green Beret Way



Because of the complexity of Special Operations missions, the need for Situational Awareness, Coordination, and Collaboration, Special Operations Units have been using the Obeya approach for years. Our Obeya are known as Operations Centers.

Types of Obeya

Global Obeya

When developing a new vehicle, managers responsible for decision making in design, production engineering, and manufacturing gather in one place to shorten lead-time through real-time communications & simultaneous engineering

An Obeya for Every Level

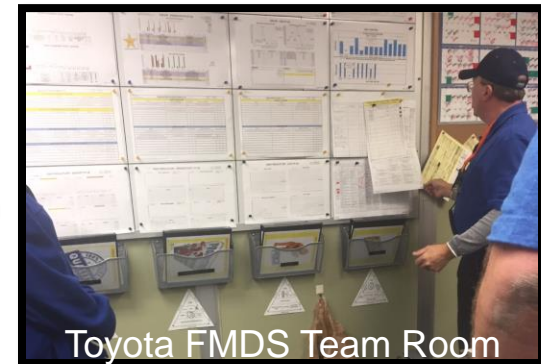
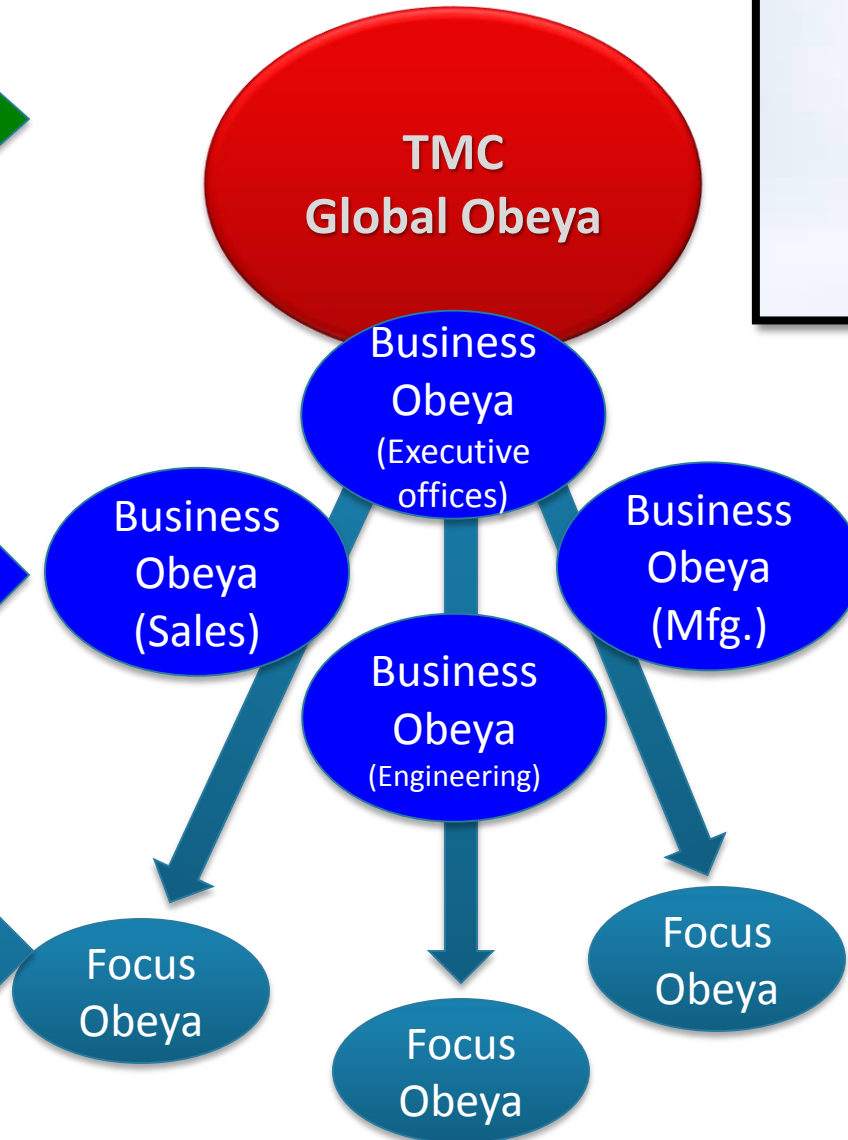


Business Process Layout Obeya

Daily Management, target setting, trend analysis, priority setting and action planning, status review

Focus Obeya

- Floor Mgmt & Development
- Team Problem Solving
- Jishuken (Mgmt Study Group)
- Dept. Hoshin



The Theory behind Obeya is Based on a Simple Idea



“Dedicate Space and Time to Coordination and Problem-Solving, then organizational barriers will be minimized.”

Why Establish an Obeya?



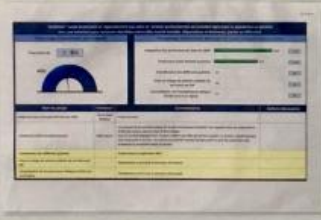
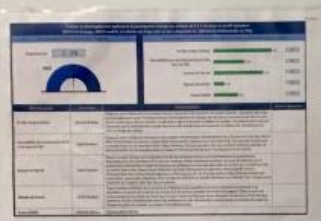
Quick! What do you Notice First?

D2 RÉALISER «DO»

Objectifs



Suivis



Objectifs



Suivis



Understanding the Obeya Management Principles

**Management
By Objective**

=

**Command
&
Control**

versus

**Management
By Exception**

=

**Focus on Problem Solving
the Ideal Situation
And the Current Situation**

One more thing...





**Because, there is
Always Room for**



**In Communication and
Collaboration!**



**Obeya Accelerates
Lean Culture
Transformation**

Obeya Provides a Platform for Social Networking



Humans are Hardwired to Socialize



Obeya Accelerates Lean Language Which Accelerates Lean Culture



Obeya and Building a Lean Culture



“Every time we get together, in the Obeya, and speak the language of the Toyota Way, practice our routines for daily planning, management, and problem solving, gather to hold each other accountable to our shared expectations, or share our reflections and learnings, as leaders, we are creating our Lean Culture. Then, as leaders, we take that culture to the Genba.”



**Obeya Accelerates Leader
Development**

Obeya and Lean Leadership



“TPS style (**LEAN**) improvement depends on the creative efforts of people led by managers and work team leaders with *extreme attention to detail in the execution of daily management techniques.*”

-**Isao Kato**: Father of Standardized Work and Toyota’s Supervisor Leadership Development Program

We Wait Too Long to Train our Leaders



* “We Wait Too Long to Train Our Leaders”

[Jack Zenger](#)

Harvard Business Review, DECEMBER 17, 2012

The Elephant in the Room

The Current State of Lean Leader Development



Many Lean Leaders are left to
Figure it out on their own

Obeya Must Support Just in Time and Jidoka




'I think the ideal situation of the Obeya should be the full integration of People and Information and it must mimic the flow of the Value Creation and Delivery Processes.

The Obeya must utilize the most effective technology of to support human communication to promote fuller collaboration.

Information must support the TPS pillars of 'Just in Time' (right information, right amount, right place, right time) with Jidoka's "Zero Defects Passed" expectations.'



Casey Ng
Retired General
Manager
Toyota Motor
Manufacturing
Australia
And Camry Global
Launch
Obeya Leader



Where Should I Start?

“Good Thinking; Good Products”



“Brilliant process management is our strategy. We get brilliant results from ordinary people managing brilliant processes. We observe that our competitors often get ordinary or worst results from brilliant people managing broken processes.”

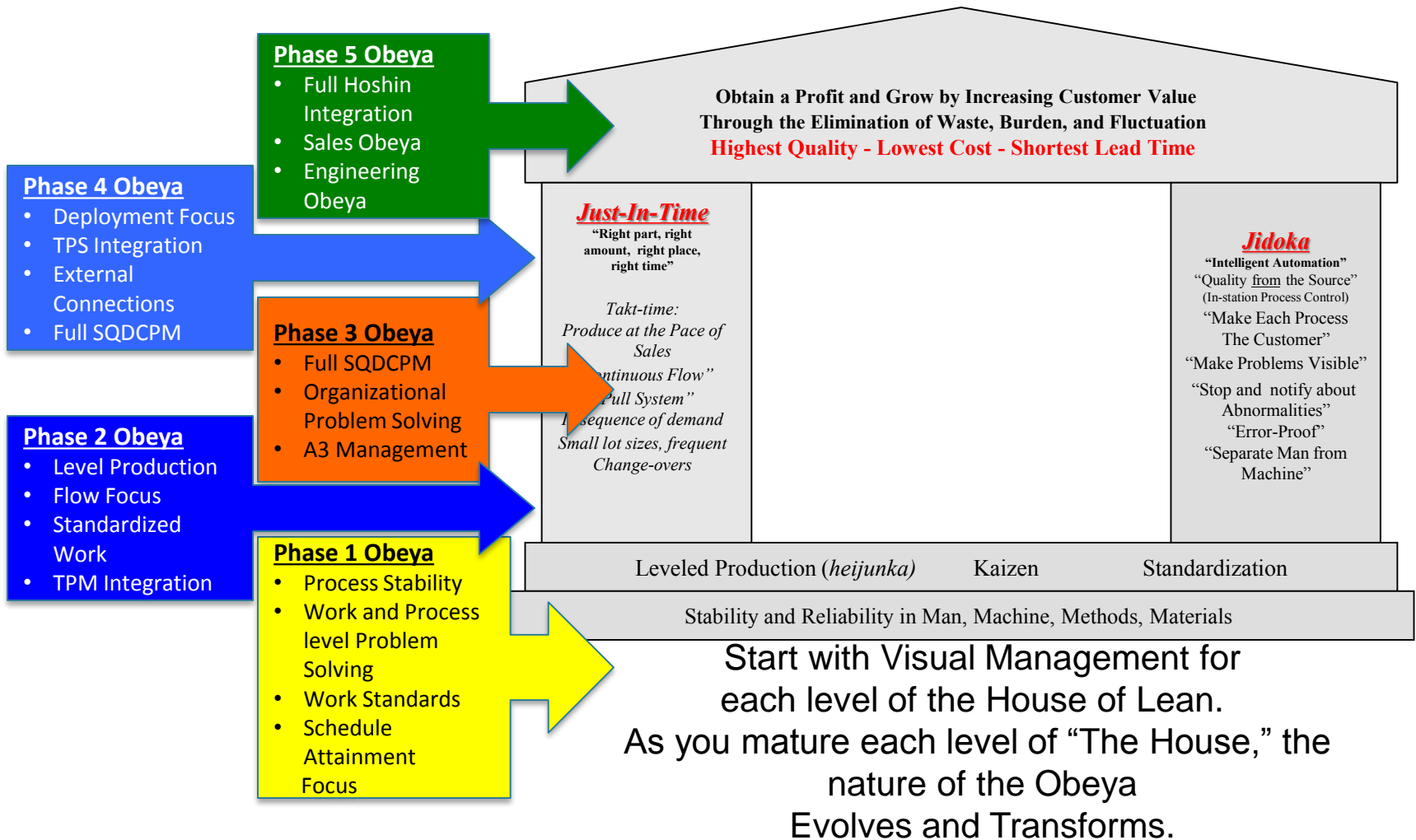
- Fujio Cho

How to Build Your “Big Room”



A Phased Implementation

Approach for Your House of Lean





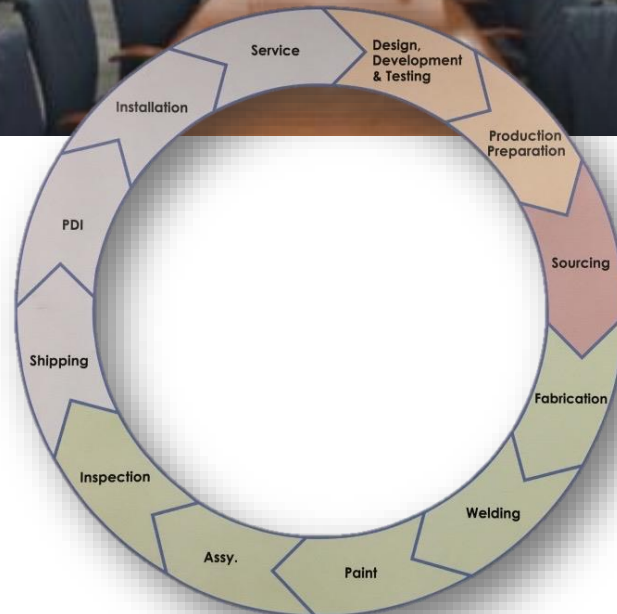
**How Should I Layout
Our Obeya for Flow?**

It Depends...

got purpose?



Hoshin Kanri Strategy Deployment and Management Obeya



Obeya for Hoshin Kanri At Toyota

From the Boardroom to the Genba



**Toyota (TIEM)
Hoshin Vision**



**Toyota
Hoshin Strategy
Deployment
Obeya**



**Toyota
Hoshin Management
By Department**



**Toyota
Hoshin Management
Daily Operations**

**Toyota
Hoshin Management
By Shift through
Floor Management
& Development System**



Visualization of the Vision In Toyota's Hoshin Obeya

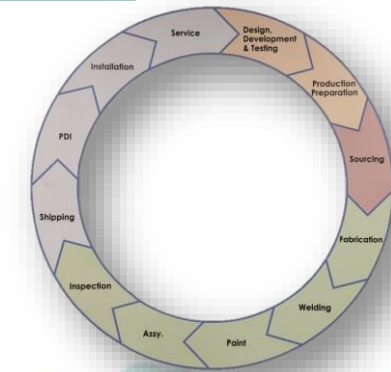


The Toyota "T" Approach



"Mile Wide-Inch Deep; Inch Wide-Mile Deep"

Process by Process Hoshin Targets for "Customer First" Value Creation
Business Process Flow



Grasp the Situation



Hoshin Target

"GTS" Customer First Trends

Analysis & Plans

Actions & Status

Results Tracking

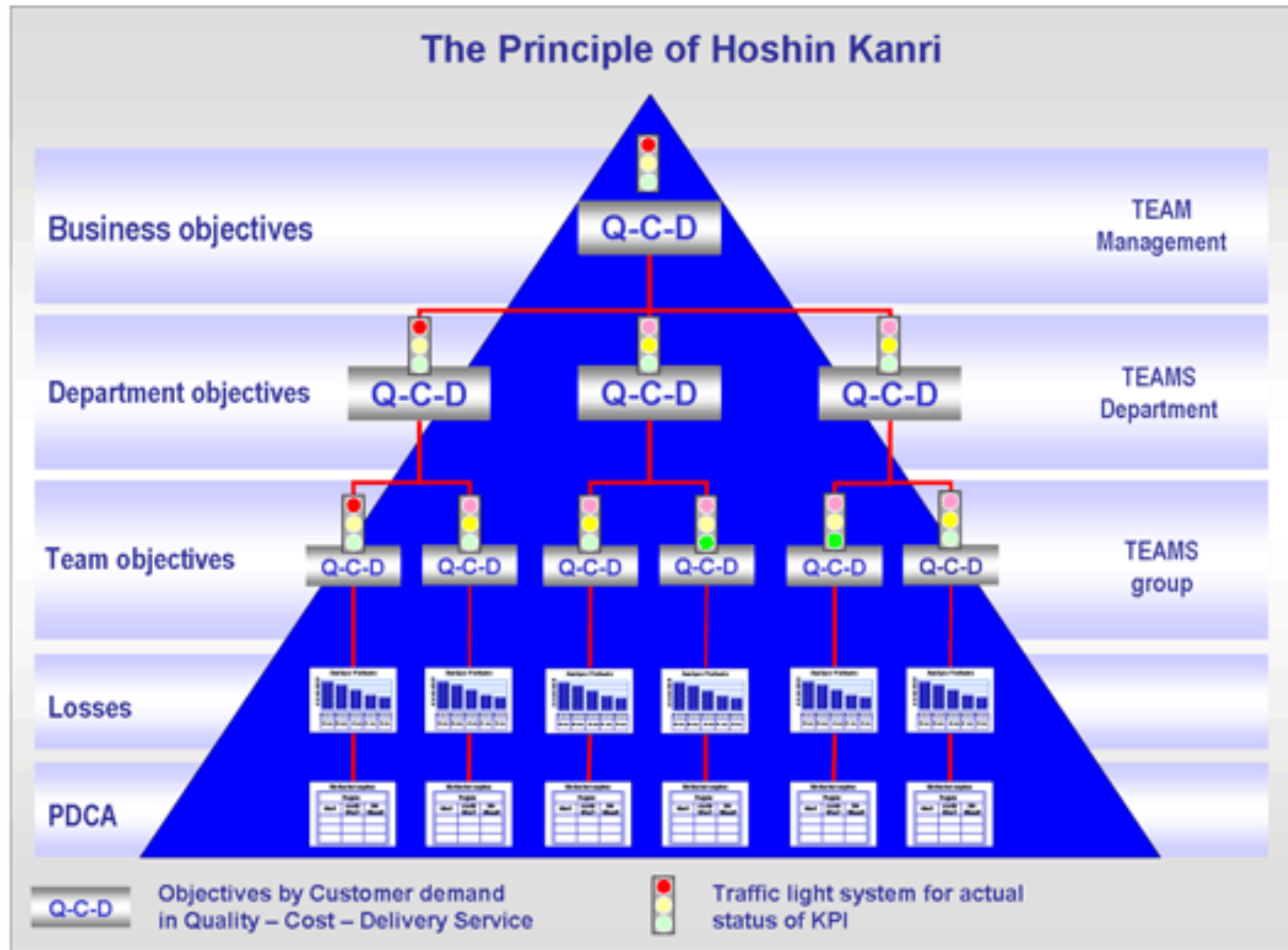
Business Process Trends, Gaps, Analysis, Plans, Actions, and Results

Toyota Hoshin Connection in the Business Process Obeya





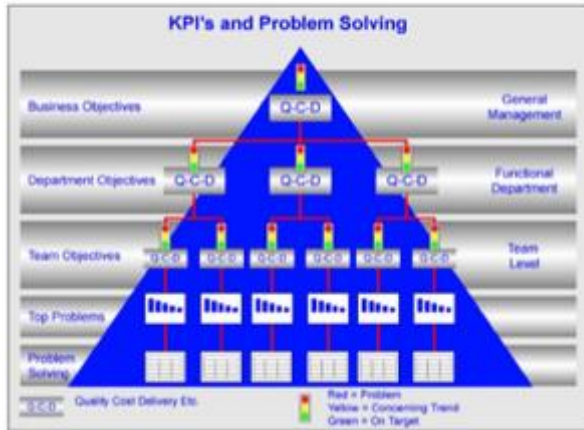
GTS-PDCA Tree by Business Process or Area



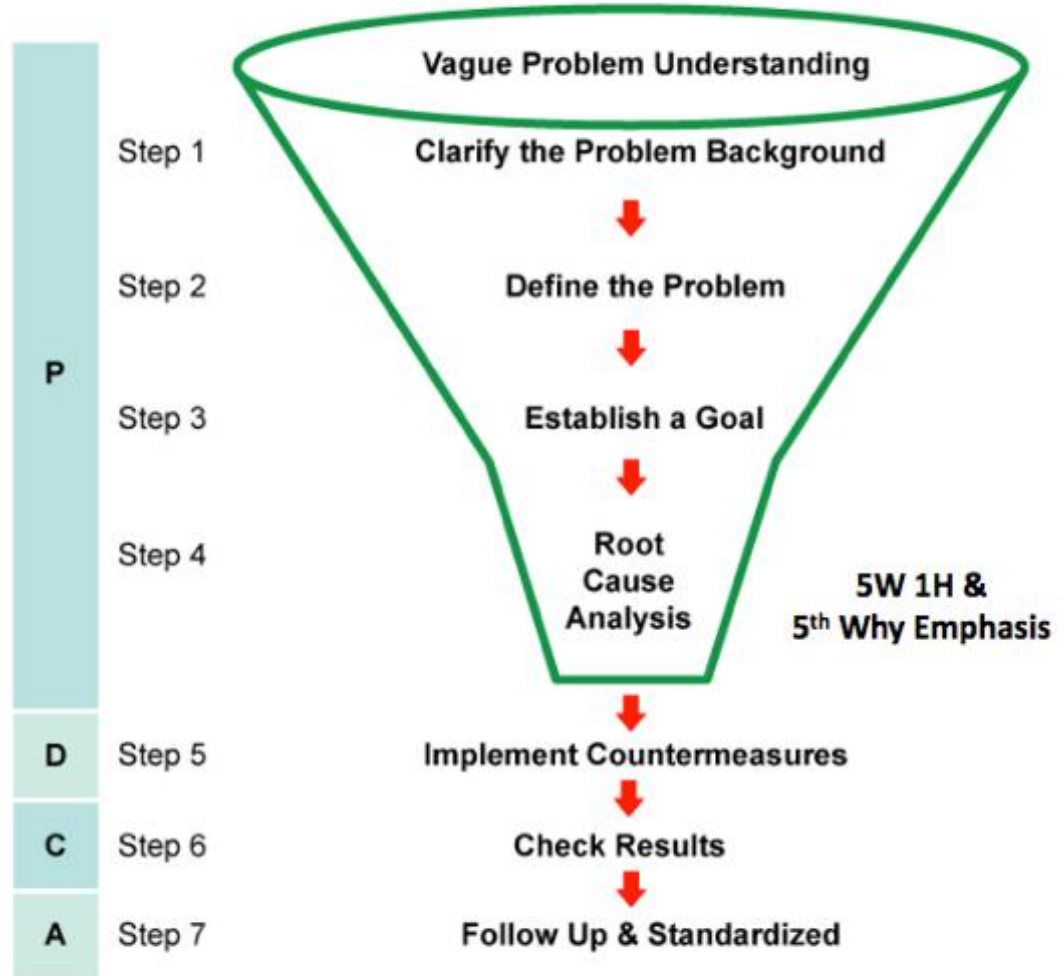
Toyota Operations Obeya



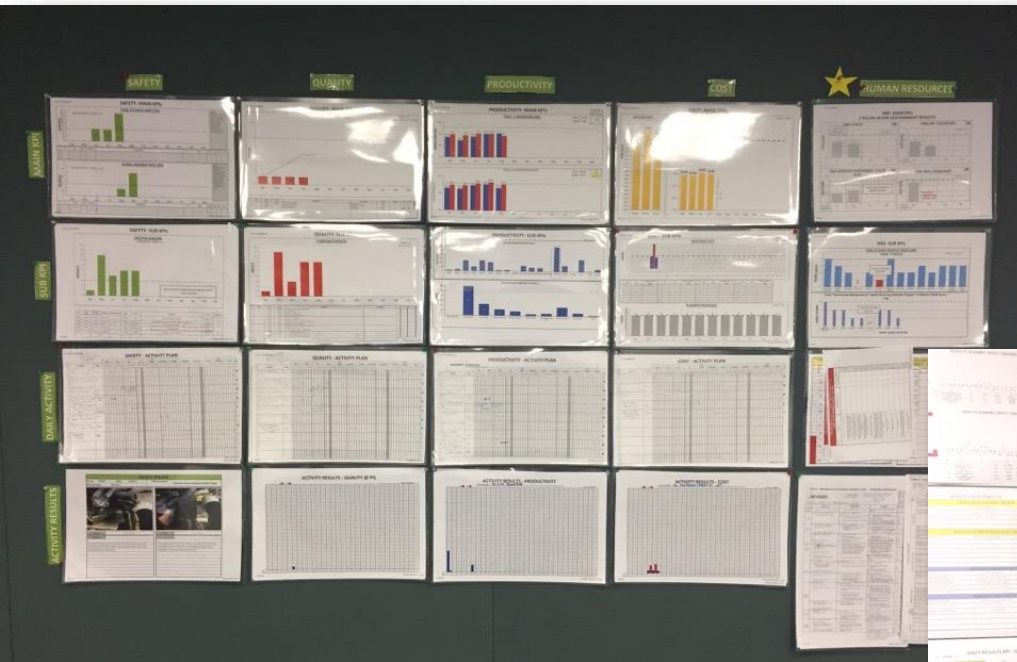
Funnel/Hopper GTS-PDCA Flow



	SAFETY	QUALITY	PRODUCTIVITY	OPERATIONALITY
PLAN				
DO				
CHECK				
ACTION				



Toyota's Floor Management and Development System Obeya Connects the Hoshin to the Genba



Funnel GTS-PDCA Flow Down

	SAFETY	QUALITY	PRODUCTIVITY	ORGANIZATION																																																																																																																																																
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Hoshin Initiative Plan

- Directly Link to Hoshin Plan Objectives
- State Clear Targets
- Articulate a compelling need (The Big So What): Why must we do this; what if we don't?
- Articulate Key Hoshin Initiatives

KPI's

- Breakdown Main KPI's to Sub-KPI level
- Clear Visual Goals and Targets
- Annotate Spikes/Deviations

Sub KPI's Trends

- Breakdown Gap to Goal/Target
- Cascade Breakdown of Gap
- AQD Drill-down of trends to the Pareto Level

Top 5 Issue

- Breakdown Lean Transformation Objectives (i.e., move from Bronze level to Silver level)
- Breakdown "High Hanging Fruit" type Problems to the 4-5th Why level
- AQD Drill-down to decision support levels

Issue Breakdown

- Define or Hypothesize Expected Outcomes of Activities
- Following TWI format, breakdown Activities to Major Tasks
- Following TWI format, breakdown Major Tasks to Key Actions

Activity

Result Tracking

- Track Progress against target expectations
- Track Countermeasures for a period of 90 Days to confirm recurrence prevention
- Ensure Yokoten



Business Process Obeya: Operational Hoshin Accomplishment and Daily Management



Voice of the Customer

Quality Delivery Price Service Innovation Growth

Safety Quality Delivery Cost Productivity Morale

Dashboard

**Quality Advancement Plan
(Do it Right)**

**Hoshin , Kojo, and Baby A3
Plans**

**Gemba Kanri Plans For
Zones and Value Streams**

TPM Advancement Plan

**Equipment Reliability
(Fix it Right)**

Operations Center Obeya Model

**Joint Sales and Production
(JSP) Team Planning**

**10-10-10 Day Master
Month Schedule**

**30/60/90 Day
Master Schedule**

**10 day three day out
Breakdown Schedule**

**Countermeasure
Progression (PDCA)**

**Dispatcher
Operations**



**Current Operations Production Status Board
"Yamazumi Board"**

**Management Cadence Kami Shibai
Visual Control Board**

Culture: Create the Obeya Habit

“Management Cadence as a Routine”



Cue

Daily
Mgmt
Routine

Reward
Green
Or
Red

7:00 am Shift Start ‘Hot Start’ Stand-up Meeting:

- Start-up Condition **“No Cold Starts!”**
- Set Priorities and gain alignment
- Leader Daily Top 5
- Problem Solving Cadence Report

9:00 am: Level Production Planning Team Meeting:

- 3 Day-out Planning
- 10 Level Loading

11:30 am: ‘Mid Day’ Huddle:

- “On Track to Target?”
- “Prioritize Gap Closure”
- Collaboration and Support
- Problem Solving Cadence Report

3:00 pm: ‘Plan For Every Part or Process’ Meeting:

4:00 pm: End of Day Review:

- Schedule Accomplishment (**Green/Red**)
- A3 Report-out (Problem Solving, Proposal, and Status) and
- System PDCA Review Briefing
- Leader Top 5 Review (**Green/Red**)
- Plan for Every Person Development Plan
- Planning Reflections (Hansei)

Obeya and Timeline Control



- Master Schedule PDCA Flow
- Strong Cross-functional Master Scheduling Team meets daily in the Obeya
- Visual 30-60-90 Day JIT Demand Planning
- Monthly 10-10-10 Day Level Production Master Scheduling Plan (aka Heijunka)
- Establishes 10 Day Day-by-Day Plan
- Confirms “3 Day Out” Line Off Plan
- The Ability to See Trends in Demand
- A-B-C Demand Analysis and Demand Variation analysis
- Level Schedules according to “Every-Part; Every Interval planning rules



Flow in the Lean Enterprise

Business Process Obeya



Obeya Visual Management of Value Streams:

Daily Management of the Enterprise follows and monitors the Expected of flow of Information, Material, Talent and Resources.

There are no static displays. Leaders “touch” all activities and act on anything that does not flow as expected.



CJF	18363	
Customer	Thermal Eng. - Chile	
Description		CJF DB917-060-062
\$ Out	\$ 220,819.00	CUSTOMER Schultze Steel
Sys Time	Due 9/26/17	DESCRIPTION High Temp
Sales Time	Due	\$ OUT \$2,500,000
Eng Time	Due	Sys TIME
Mfg Time	Due	SALES TIME
Service Time	Due	ENG TIME
Terms	Due	MFG TIME
		SERVICE TIME
		TERMS



Obeya is a “Whole Brain” Center and Helps to Create a Kaizen Mind



The Way Your Brain Is Organised



Obeya and the Kaizen Mindset



“Having (a) *proper awareness of problems and an extremely low tolerance for the current condition* is a *proper attitude.*”

-**Isao Kato**: Father of Standardized Work and Toyota’s Supervisor Leadership Development Program

The Benefits of Implementing the Obeya System



- The Obeya promotes coordination, strategy and flexibility while leveraging the expertise and support of teammates from diverse areas.
- The Obeya promotes the Full and Effective utilization of Resources and Talents in order to reach our full potential, which is critical to a Lean Organization
- The ability to maintain Proper Problem Awareness in Real-time:
 - Monitor Value Creation, Flow of Value, and Opportunities for our Customers, Partners, Stakeholders, Team-members, and our Organization.
 - Listen to Team-member concerns.
 - Collaborate to make discoveries, resolve problems together, accelerate leader and team-member development
 - Accelerates Leader development
 - Accelerates Lean Culture development and deployment

The Benefits of Implementing the Obeya System



The Result:

Effective solutions and actions that can be developed and implemented quickly.

And

Value can be delivered with Velocity.

One more thing...



Focus Your Obeya Activities to Remove Burden and Problems Solving





**Thank You For
Allowing Me to Share
What Questions Can I
Answer for You?**