

Got to be Lean to be Green

By Angela Calzone and Christopher D'Marco

An organization's respect for and appropriate utilization of all resources with which it comes in contact, or over which it has influence, is fundamental to its own sustainability. However, in order to truly be "green," organizations must first be mindful of what it is to be "lean."

When executives assess their organizations through a "lean" lens, they have the opportunity to create a workplace whereby all resources — energy, tangibles, processes, systems, and human capital — are maximized without

a strain on the work environment.

It is these companies that are better prepared to employ the more traditionally identified green or sustainable practices because they have a core understanding of sustainability from the inside out.

The lean philosophy identifies several organizational wastes: waiting, over-production, rework, excessive motion, over-processing, excess inventory, and under-utilized talent. With a strategically planned effort and the right set of analytical and implementation tools, these wastes are eliminated when a business "goes lean" and process efficiency, effectiveness, cost of delivery and, subsequently, customer value are dramatically improved.

Regardless of an organization's size, industry, number of employees or whether it is delivering services or products to its customers, its internal environment must be lean or its cost to deliver its products or services is greater than it has to be — and that's waste.

The industry giants we continue to see stumble or collapse during the tumult of this economic disaster would have been wise to learn the lessons of lean business because despite their solar roof panels,

sensor water faucets, support of public parks and gardens, energy-saving light bulbs, corporate social responsibility campaigns, and rigorous recycling programs, these organizations are not sustainable because they are not lean. And the global economic and environmental impact of not embracing lean is devastating.

Lean is often mistakenly used synonymously with cost-cutting, down-sizing or stretching personnel or systems to capacity. In reality, lean has little to do with "less" except for less inefficiency, waste and cost of delivery. Practicing lean business allows an organization to focus on maximizing work flow efficiency, minimizing time delays, and leveraging the talents of its people. Lean is more. With an eye always fixed on continuous improvement and innovation, lean affords us more organizational effectiveness, greater employee morale and retention, and increased customer value.

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Imagine your own organization. What would happen if department by department you identified and implemented operational practices to increase efficiency and productivity, leveraged your people to their highest and best use, eliminated non-value-added activity, increased process capacity, decreased the time lapse for work in process, and minimized errors and rework?

Now let's talk about reducing greenhouse gas emissions and saving the polar bears.

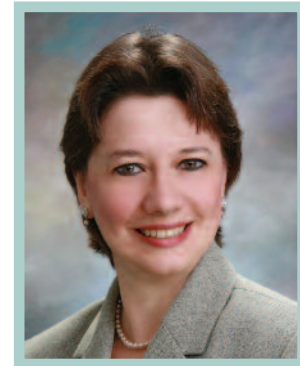
From an environmental perspective, there is little left to dispute about the need to be green. We simply cannot sustain our resources and frankly, our humanity if we don't make significant changes in the ways in which we conduct ourselves. Conservation by definition is to minimize waste and save resources for their most appropriate and effective use. Recycle is to maximize a resource by using and reusing every bit of it so that nothing is wasted.

The relationship between green and lean is not particularly complicated. For an organization to be truly "green" it has to first understand how to eliminate its own waste. Green itself cannot be

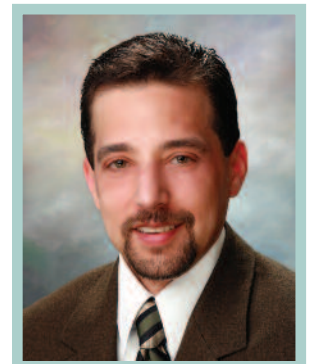
sustained within an organization that does not embrace a lean platform.

Often at the forefront of leading change, New Jersey based organizations are embracing lean in record number; from the manufacturers who are eager to deploy lean manufacturing to the services businesses who seek lean administration.

We've known for decades that our focus needed to shift to a greener way of living. Unfortunately, the green movement was not widely embraced until not being green began to have an economic impact. Same goes for lean. The concept of Lean Business has been around for years, but many have casually nodded at it as though it was just the latest trend in the long line of how-to management philosophies. But now, it's apparent that both going lean and green are not only the "right" things to do, sooner than later together they will become a necessity and operational imperative.



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