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Time for America's Second Industrial Revolution

Lean offers the fuel to power a renaissance in American manufacturing.



It's time to create the United States' next Industrial Revolution—a movement that will make manufacturing and industrial jobs one of the most important topics in America. We have seen manufacturing's power in Japan, and now China. You don't need the "why" explained; it's been done a thousand times. We have such examples as Toyota, arguably the best manufacturer on the planet, and we know how to build great

companies here in the United States using the same principles of lean. The time is right, and all of the sectors of the manufacturing industry are ready to act: businesses, boards of directors, management teams, unions/labor, suppliers, government, and yes, even customers. But, we have to act immediately. To make this successful, here are six things you can do today in your manufacturing company to begin the second Industrial Revolution.

1. Create a lean implementation steering committee with top management leading the team. If you don't have the internal expertise, then go find it now in books, universities, on the Internet and from consultants. The steering committee needs to determine:

- Where to implement lean first.
- How to pay for the changes, education, and training required to implement lean.
- Who will be the people in charge of implementing the lean business strategy. It should be people who are major players, respected, change agents and willing to take on the big challenges.
- What lean tools will be implemented. Use as

many tools from the lean toolbox as possible. This is not a case of one tool solves the problem.

- When the implementation will begin and end in the first plant, line, area or division. For a small plant, this should be done in a three- to six-month period. Faster is better.

2. Begin the implementation of lean in your manufacturing company today. If you already have begun, redouble your efforts to implement more areas faster and more thoroughly. Toyota has been working on this process for more than 60 years, and the company is still finding waste and eliminating it in every plant every day. If you have a lean program, spread it to your suppliers, your business processes (accounting, order entry, engineering, etc.) and take lean to the next step.

3. Visit a lean company and absorb from the people the commitment, pride and focus on excellence in these businesses. There is no better example than one you can touch and feel. Take the time to learn what these Lean companies are doing differently. Don't worry if the company is not in the same industry as yours. Lean is a tool that can be implemented in any industry. Remember that lean is a journey, and every company will be on a different portion of the journey. Focus on the improvements that these companies have made.

4. Create a communication program to inform people within the business—including suppliers and customers—about lean, the expected changes and how it will affect your company and them. It is critical to your success.

5. Contact the leaders/representatives of your gov-

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ernment and tell them how important it is for them to help you to create manufacturing jobs for our economy. There needs to be a national dialogue in America on what policies support manufacturing jobs, and those that don't. Some areas where most manufacturing companies could use help are:

- Health-care costs are skyrocketing and create an unfair advantage for low-cost countries that do not have health care for a majority of their citizens.
- The methods that foreign countries use to devalue their currency (China and Japan as examples) create even larger subsidies for their prospective manufacturing companies. Let's create fiscal monetary and trade policies that deal with these unfair subsidies.
- Tax incentives are needed for R&D in all types of industry, not just renewable energy.
- Tax breaks are needed for manufacturing companies that generate jobs. The income, sales, property and other taxes that these jobs will create will offset any lost tax revenue from the tax incentives.
- Product dumping by foreign countries whose governments are subsidizing manufacturing has to be stopped. Let's become aggressive about leveling the playing fields around the world. The general aviation industry faces in-

creasing competition by Japanese manufacturing companies. Treat it like an attack on our way of life and businesses and defend your jobs, customers, sales and margins.

These are only a few of the issues that government can assist with. Let's see these and more issues debated and discussed in real detail on the news. We know enough already about sports and television stars. It's time to make celebrities out of the W. Edward Demings, Taiichi Ohnos and Henry Fords of the past and current manufacturing world. What these people and their current protégés can teach us will have a far greater impact on our lives and the lives of our children than the next "American Idol."

Doing these six things at every company in America will get the second Industrial Revolution started, but there will be much more to do. Everyone associated with lean says it is a journey. The key to the future success of America's economy is to get the strength of the workforce and the wisdom of management behind a strategy that can win in the competitive global economy.

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