Using the Shingo Model to Create a Culture of Excellence

Presented by: Ken Snyder
Purpose
Based on timeless principles, the Shingo Institute shapes cultures that drive organizational and operational excellence.

Mission
To improve the process of improvement by conducting cutting-edge research, providing relevant education, performing insightful organizational assessment, and recognizing organizations committed to achieving sustainable world-class results.
Shingo Institute and the Shingo Prize
Brief Shingo Institute History

1988  Creation of Shingo Prize
1989  First Shingo Prize awarded
1993  First Version of *Shingo Model™* developed
2000  Business Week refers to Shingo Prize as “Nobel Prize for Manufacturing”
2005  First Conference in Mexico
2008  Bronze and Silver Medallion Levels Created  
      First Shingo Prize outside of North America  
      Major revision of *Shingo Model*
2015  First Latin American and European Conferences
Recent Shingo Prize Recipients

2020
Ipsen Pharma Biotech
Signes, France

2019
Abbott Nutrition Supply Chain
Sturgis, Michigan, USA
Abbott Nutrition Supply Chain
Singapore, Republic of Singapore

Boston Scientific Coyol
Coyol, Costa Rica

Merit Medical Systems Inc.
Tijuana, México

Regeneron Pharmaceuticals Inc.,
Industrial Operations & Product Supply
Rensselaer, New York, USA
Recent Shingo Prize Recipients (cont.)

2018
Abbott Nutrition Supply Chain Granada
Granada, Spain
AbbVie Ballytivnan - Sligo, Ireland
Ball Beverage Packaging, Naro-Fominsk Cans
Novaya Olkhovka, Russia

2017
Abbott Nutrition Supply Chain Facility, Sligo
Sligo, Ireland
Ball Beverage Packaging, Naro-Fominsk Ends
Novaya Olkhovka, Russia
Thermo Fisher Scientific - Vilnius, Lithuania

2016
Boston Scientific Cork - Cork, Ireland
Rexam Querétaro - Querétaro, Mexico
Costa Rica Recipients

- Boston Scientific Coyol - Shingo Prize 2019
- Hologic Surgical Products Coyol - Silver Medallion 2019
- Bridgestone BATO Shared Services Center Heredia - Silver Medallion 2018
- Boston Scientific Coyol - Bronze Medallion 2015
- Baxter Cartago - Shingo Prize 2008
Shingo Award Recipients
A Turning Point

Years ago, the Shingo Institute noticed a common trend among organizations that were driving a culture of continuous improvement.

Initial gains were often accompanied with swift decline.

WHY?
Who builds **systems and tools**?
What is culture?

“The only thing of real importance that leaders do is to create and manage culture. If you do not manage culture, it manages you, and you may not even be aware of the extent to which this is happening.”

Edgar Schein
Professor, MIT Sloan School of Management
Three Insights of Organizational Excellence

“...Yet I came to see in my time at IBM that culture isn’t just one aspect of the game—it IS the game.”

Lou Gerstner
Former IBM Chairman
Insight #1:
Ideal Results Require Ideal Behavior

Ideal Results
Outcomes that are aligned, that are both excellent and sustainable, and which demonstrate improvement over time.

Ideal Behavior
Actions that create outcomes that produce results and are both excellent and sustainable.
Insight #2: Purpose and Systems Drive Behavior
Three Essential Systems

Management Systems
Focus: Develop System Leaders

Work Systems
Focus: Workflows

Improvement Systems
Focus: Making the Organization Better
Five Required Communication Tools for every system

- Standard Work Reports
- Feedback
- Schedule
- Improvement Log
Insight #3: Principles Inform Ideal Behavior
Shingo Model

“The only thing of real importance that leaders do is to create and manage culture. If you do not manage culture, it manages you, and you may not even be aware of the extent to which this is happening.”

Edgar Schein
Professor, MIT Sloan School of Management
Guiding Principles Dimensions

- Purpose
- Process
- People

- GUIDING PRINCIPLES
- Continuous Improvement
- Cultural Enablers
- Enterprise Alignment

- RESULTS
- CULTURE BEHAVIOR
- SYSTEMS
- TOOLS
Shingo Guiding Principles

Enterprise Alignment
Create Value for the Customer
Create Constancy of Purpose
Think Systemically

Continuous Improvement
Assure Quality at the Source • Improve Flow & Pull
Seek Perfection • Embrace Scientific Thinking • Focus on Process

Cultural Enablers
Respect Every Individual • Lead with Humility
Video: O.C. Tanner

How Principles Influence Behaviors

Gary Peterson
Cultural Enablers Principles

Supporting Concepts

- Assure a Safe Environment
- Develop People
- Empower and Involve Everyone
Continuous Improvement Principles
Supporting Concepts

- Stabilize Processes
- Standard Work
- Go & Observe
- Focus on Value Stream
- Keep it Simple and Visual
- Identify and Eliminate Waste
- No Defects Passed Forward
- Integrate Improvement with Work
- Rely on Data and Facts

Continuous Improvement
Assure Quality at the Source • Improve Flow & Pull
Seek Perfection • Embrace Scientific Thinking • Focus on Process
Definition of Kaizen

Masaaki Imai
Enterprise Alignment Principles

Supporting Concepts

- See Reality
- Focus on Long Term
- Align Systems
- Align Behaviors with Performance
- Policy Deployment
- Standardized Daily Management
- Measure What Matters
- Identify the Customer
- Identify Cause-and-Effect Relationships
Video: Autoliv

Continuous Improvement at Autoliv

Thomas Hartman
System Confusion?

System  Plan  Structure
Tool   Sub-System  Method
Team   Program  Process
Strategy
Organization
System **Thinking** - *Dr. Russell L. Ackoff*

Professor Emeritus of Management Science in the Wharton School of Business at the University of Pennsylvania
System Definition

“A system is a network of interdependent components that work together to try to accomplish the aim of the system. The aim of the system must be clear to everyone in the system.”

W. Edwards Deming
Three Essential Systems

Management Systems
Focus: Develop System Leaders

Work Systems
Focus: Workflows

Improvement Systems
Focus: Making the Organization Better
Five Required Tools for every system

- Standard Work Reports
- Feedback
- Schedule
- Improvement Log
Standard Work

Example:
Pilot’s Check List
Six Courses... How Principles Inform and Systems Drive Behavior

**DISCOVER EXCELLENCE**
*(prerequisite)*
Behaviors that lead to organizational excellence

**SYSTEMS DESIGN**
Systems designed to drive behavior

**CULTURAL ENABLERS**
Behaviors that enable a culture of respect & humility

**CONTINUOUS IMPROVEMENT**
Behaviors that improve a continuous flow of value

**ENTERPRISE ALIGNMENT**
Behaviors that align people, systems & strategy

**BUILD EXCELLENCE**
*(capstone)*
Driving strategy to execution
Shingo Alumni Benefits

- Recognition at a Shingo Awards Gala
- Discount to all Shingo conferences and summits
- Name/Company listed on Shingo website
- Shingo Alumni graphic to use in email signature line and on business cards
“Sometimes when I go into a production plant and try to do something new, I am told that it will not work because ‘there aren’t enough people’ or ‘there aren’t enough machines.’ Quite often, though, the real problem is not enough resourcefulness.

“If today is going to be any different from yesterday, we must blaze new trails every day.”

Dr. Shigeo Shingo