



Finding lean people to grow

Lean manufacturing is more than just a popular production tool. It has helped many processors improve their operations. Hiring the right personnel to cut a firm's fat is key to success.

Increasing productivity by 300% or more, adding two points per year to margin, and simultaneously driving down delivery lead times to customers -- what processor wouldn't be pleased with a hire who delivers results like those? Terry Hindmarch, managing partner at executive search firm TowerHunter (Phoenix, AZ), says that those are fairly typical results for firms that successfully incorporate lean manufacturing and the right personnel into their operations. Finding and placing lean manufacturing experts is the fastest growing of four areas that his firm specializes in, he says.

Capital investment

How much does this kind of expert cost? Unfortunately, but obviously, the answer is rather vague, Hindmarch admits, since it depends so much on the size, type, and location of the manufacturer, among other variables. In the medical market, where his firm has extensive experience, he says lean manufacturing experts with plant managerial or general manager experience for multisite operations typically earn about \$150,000 annually, plus a bonus; lean coordinators at single sites earn about \$80,000. "There is a premium to pay if you want someone with lean manufacturing experience. The salary also needs to take into account how much opportunity there is to reduce waste in a business," Hindmarch says. But he reiterates the margin and productivity improvements as solid reasons to make the investment.

Talent search

Finding suitable candidates does not take long, at least in the U.S., where TowerHunter usually operates. "We can identify them pretty quickly by looking through our database of prescreened candidates," says Hindmarch. Once hired, deciding where to place a candidate depends on a processor's organization. If it's a multifacility shop, it makes sense to have a lean manufacturing coordinator positioned a notch below the Clevel employees, with a title such as "VP continuous improvement" or "Sr. VP operations."



Terry Hindmarch, a personnel recruiting specialist, says demand for lean manufacturing experts is sky-high.

That hire may not be an expert in every aspect of lean manufacturing, but must understand it, know best practices, and, most important, be "the lean champion within the firm," driving the effort. At each facility it is typical to have a lean manufacturing coordinator who answers to the plant manager but has dotted-line responsibility to the lean VP, Hindmarch says. For a single-site firm, it makes sense for the plant manager or another senior manager to be the lean manufacturing expert.

Hindmarch says many manufacturers decide they cannot afford to hire another senior employee, or do not want to work with someone new who claims to know lean manufacturing.

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For these firms, hiring consultants is often the path to getting lean. Hindmarch cautions that hiring a full-time employee "is probably better than living full-time with a consultant," though he adds that good consultants will instill the required skills and knowledge into their customer's staff.

"My cautionary note is that hiring lean consultants part-time can get very expensive, so bringing someone internal [to the organization! is important," he says. Hindmarch is not anti-consultant; a significant slice of his work involves finding lean experts at manufacturers and hiring these people to join his consultancy customers. The reverse is also occurs: poaching lean manufacturing consultants to join manufacturers.

Lean manufacturing does not magically guarantee improved manufacturing operations, but since it has already benefited many firms it's likely that demand for people skilled in implementing lean programs will stay high. The right people can be just as important to a program's success as the efficacy of the program itself.

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