







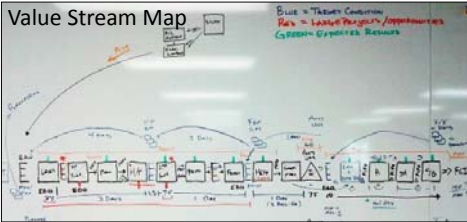

Located in Oregon City, Oregon  
 About 200 employees  
 Manufacture high-end knives for consumer and tactical markets.

-  TACTICAL
-  FIRST RESPONDER
-  EVERY DAY CARRY
-  OUTDOOR
-  HUNTING
-  SURVIVAL
-  GENTLEMAN

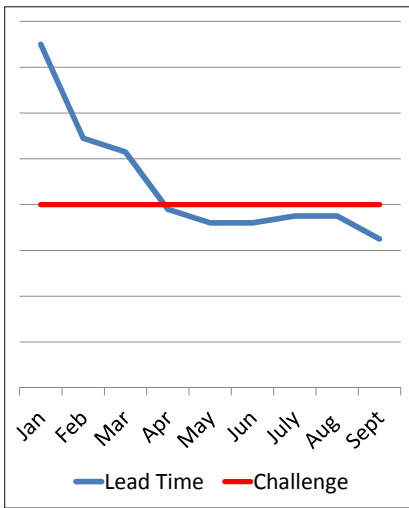
***Kata Culture: The First Four Years (2009-2013)***

PLAN		DO	CHECK	ACT
<p><b>Next Step</b> <small>What Experiment will you try next?</small></p> <p>Pass out copies of the book and send a couple of key floor level people to learn the Improvement Kata</p>	<p><small>What do you expect?</small></p> <ul style="list-style-type: none"> <li>▪ Easy to implement- After all, it's a logical process!</li> <li>▪ Quick, sustainable improvements</li> <li>▪ Easy to spread throughout the company</li> <li>▪ Coaches are a nice to have but not really necessary</li> </ul>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Coaching Cycle Experiment</p>	<p><small>What is the result?</small> <small>Put obstacles you observe into the parking lot.</small></p> <ul style="list-style-type: none"> <li>▪ Local improvements; isolated from whole</li> <li>▪ Lack of coaching allowed us to deviate from the pattern</li> <li>▪ Not aligned to a vision/challenge</li> <li>▪ Improvements were personality driven and not sustained when people moved on</li> </ul>	<p><small>What did you learn?</small></p> <ul style="list-style-type: none"> <li>▪ We need apply Kata our Kata to develop culture</li> <li>▪ Behavioral Adjustments- Very Long PDCA: <b>Years</b></li> <li>▪ Maintaining a pattern is <b>hard</b></li> <li>▪ Alignment to a vision/challenge is necessary</li> <li>▪ Coaching is necessary to maintain the pattern</li> </ul>

### Kata Culture: Last Year (2013-2014)

PLAN		DO
<p><b>Next Step</b> What Experiment will you try next?</p> <ul style="list-style-type: none"> <li>Set a Challenge: <i>Reduce Lead Time 40% within 1 year.</i></li> <li>Establish Kata Teams based on process loops ID'd in Value Stream Map</li> <li>Assign Kata coaches</li> <li>All teams observe coaching cycles</li> </ul>	<p>What do you expect?</p> <ul style="list-style-type: none"> <li>Better alignment</li> <li>Coaching will maintain pattern</li> <li>Lead time will be reduced as we iterate towards the Challenge</li> </ul>	<p>Value Stream Map</p>  <p>Kata Walk</p> 
		Coaching Cycle Experiment

### Kata Culture: Last Year (2013-2014)

	CHECK	ACT
	<p>What is the result? <small>Put obstacles you observe into the parking lot.</small></p> <ul style="list-style-type: none"> <li>Reduced lead time by <b>44%</b> within <b>4 months!</b></li> <li>Pattern still difficult to maintain</li> <li>People started to fade away from coaching cycles</li> <li>Process loops began to revert to silos</li> </ul>	<p>What did you learn?</p> <ul style="list-style-type: none"> <li>Rapid improvements initially</li> <li>As improvements continued we faded away from the Coaching, IK Pattern</li> <li>Improvements flattened</li> <li>Silos formed</li> <li>Behavioral Adjustments- Long PDCA: <b>Months</b></li> </ul>

## Kata Culture: The Last Few Months

PLAN		CHECK	ACT
Next Step What Experiment will you try next?	What do you expect?	What is the result? Put obstacles you observe into the parking lot.	What did you learn?
<ul style="list-style-type: none"> <li>Established new Challenge: Reduce Lead Time 50% by April '15</li> <li>Select projects based on Future State Map to achieve Challenge</li> <li>Assign improvement projects to teams</li> <li>Follow up on action items...</li> </ul>	<ul style="list-style-type: none"> <li>We'll hit our goal of 50% by April b</li> </ul>	<ul style="list-style-type: none"> <li>We thought we could "see" how to achieve the challenge</li> <li>Flat lined improvement and plan for how to achieve the challenge allowed us to default to project implementation</li> <li>Engagement then declined; projects bogged down; little progress towards challenge</li> </ul>	<ul style="list-style-type: none"> <li>Following the pattern (IK/CK) is <b>hard</b> but <b>necessary</b>: New behavior patterns take time</li> <li>Our default behavior is traditional management. This is our comfort zone.</li> <li>When we deviate from the IK/CK pattern we default to old patterns</li> <li>Behavioral Adjustments- Shorter PDCA: <b>Weeks</b></li> </ul>

**Wait! What happens**

## Current Condition *Kata the Kata*

- ❑ Mfg. Engineers discussing Kata (PDCA)
  - "Why we don't like coming to this **meeting**:"
  - What is the purpose?
  - Action Item updates are not Kata!
  - What should Kata look like?
  - Target Condition is Unclear!
  - COACH US!



### Why we don't like coming to this meeting.

- What are we doing here?
  - solving problems?
  - project update?
  - meant to hold people accountable?
- Bob pulled in 100 directions
  - 1/2 hour conversations w/ Glen
  - machine maintenance
  - MPI brutal prove out
- show up to meeting consistently w/o having had time to take a step
- project timeline  $\neq$  Kata
- haven't seen kata done right
- can't experiment on machines due to mfg #1\*
- gap between challenge + TC to big
- writing TC still unclear?
- COACH US!  $\rightarrow$  more specifics stop talking in generalities

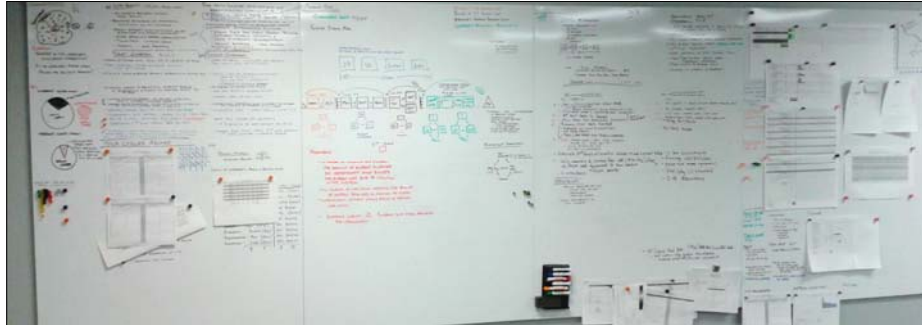
## Target Condition: Applying Kata to our

All BUSINESS SYSTEMS and VALUE STREAMS

Improvement Culture

Value Streams

Engineering Projects



- **Kata as our culture; Kata as our methodology – to achieve *all* of our business objectives.**

Kata at all processes; business systems; and even for our improvement culture

Alignment to a common vision and a challenge

Fast cycle PDCA

- **Next Steps:**

- Re-establish our Challenge for manufacturing ***without dictating actions items to achieve it***
- Move forward using IK/CK patterns
- Apply Kata for non-production improvement projects:
  - Product Life-Cycle Process
  - Product Costing Process
  - Kata Culture Development