



## Lean is the tool that creates the Customer Relationship

Guest was Eric Haberkern



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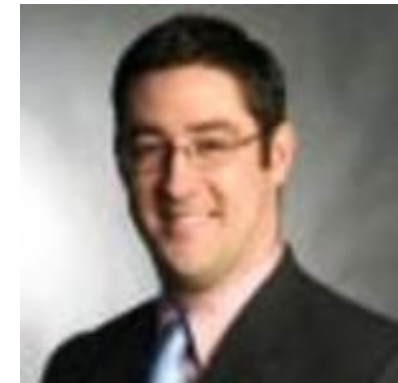
### *Implementing Lean Marketing Systems*



Erik Haberkern, a General Sales Manager of a global Fortune 300 chemical company, discusses the application of Lean in Sales and Marketing. Eric first worked as a Facility Manager and soon became a Lean Deployment Manager. He transferred those skills to Sales and Marketing.

Eric's credentials are best described in comments by his colleagues:

- Erik is a true professional in every sense of the word! He helped complete the most successful acetylene Lean project at the Roseville, MN facility.
- Erik's leadership skills are second to none, and he uses these skills to motivate and inspire the people around him. He also understands how to work within a team, to get the most out of the people, and to utilize their strengths in the role to which they belong.
- Among his greatest strengths are his abilities to work with people at all levels within an organization, effective leadership style in motivating others to deliver results, and his promotion of accountability through taking action.



As you listen to the podcast, you can see how true these comments are. Erik follows a very structured team approach to implementing Lean filled with a whole bunch of We's and few if any I's, a consummate team player. Eric can be found on [LinkedIn](#).

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### *Implementing Lean Marketing Systems*



**Joe Dager:** Welcome, everyone. This is Joe Dager, the host of the Business901 podcast. With me today is Eric Haberkern, who is one of the few people that I know that is not only has experiences working with a Lean manufacturer, but also has applied Lean in the sales and marketing arena. I'd like to welcome you, Eric. Could we start out by discussing how you first entered into Lean and how you started practicing it?

**Eric:** I started out because the company I was working for was beginning a Lean journey, and they were looking for people to start pushing initiative and teaching, as well as conducting Kaizen Events and really starting to build the culture and the initiative across the organization. When we started our deployment, the focus was any place where we can improve the business. So we took the opportunity to look at everything from manufacturing, our operations environments, to sales and marketing and finance areas as well. So really we had the run of the mill to choose the best projects and to make the best impact we could for the corporation.

**Joe:** That's interesting that you even considered sales and marketing. That's always kind of a Silo out there. Was that one of the first initiatives or was the first initiative in manufacturing?

**Eric:** Well, the first initiative was certainly in manufacturing. But very quickly as the Lean Tools were used, they were recognized as a way to make solid and quick business changes. So the sales and marketing team really did, they recognized that they could get a lot of things done quickly and completely using the Lean Tools, and they were some of our most successful changed events.

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## Podcast Transcription

### *Implementing Lean Marketing Systems*



**Joe:** Could you mention one of those changed events or a couple of them? I mean how it was introduced? I think everybody's problem especially in services, they think of waste and they think all of these different things about Lean but they really don't picture it in the arena of sales and marketing. Can you talk about it?

**Eric:** A lot of times sales and marketing is out just selling, and they're kind of doing what they want to do and people in the field don't always understand why, what, where, and how. The Lean tools that we used essentially forced the sales and marketing team and the rest of the business to understand that they had to be connected, right? So that's why we're using Value Stream Mapping techniques and other Kaizen events that really did allow us to bridge that gap and to be very effective and thorough at the implementation of new strategies. So we knew we had a couple of problems, and one of the process problems we had was signing this new type of business. One of the hold ups was different parts of the organization are somewhat on different pages with how the process should work. Once we brought the sales and marketing team together with the finance team together with the operations team, the end result was that the initiative was streamlined in such a way that we could be much more effective than if each functional group figured out the problems by themselves.

**Joe:** You really took it from the standpoint of where looking at the system as a whole by bringing all the departments rather than the individual departments trying to improve.

**Eric:** That's absolutely true, that's how where we got the biggest wins in this particular arena using the discipline of Lean to make sure that all of the parts of the strategy or the process were addressed before any decisions are made.

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## Podcast Transcription

### *Implementing Lean Marketing Systems*



**Joe:** So when you first did the Value Stream Map? Was the beginning and endpoint all contained within the company structure or did you go outside the company's structure for input from let's say, instead of the sales people or the marketing people determining what the customer valued, did you go out and asked customers, did you have focus groups or something?

**Eric:** Initially we did use customer feedback and vendor feedback to really focus what our similar opportunities were. Very quickly, we found out that we had a quite a bit of opportunity within the organization and focused on changing what we could control within our parts. We certainly have engaged the customer to get to the next level. But we still have a lot of opportunities to fix ourselves if we were, well than to go out and request or act on change that customers require.

**Joe:** I always picture the sales guy a lot of times sitting out there, being that lone wolf and that big closer with this great clientele. He comes in, and he goes from an individual type of role into a team role. Did you have any of that? Was that difficult for sales to adjust to participation in that?

**Eric:** So we focused our Lean initiatives on the marketing side. I agree that the lone wolf sales representative certainly is a different type of person than would typically be involved in this type of environment. But we didn't really use direct sales guys within our Lean initiatives, most of that was focused on the marketing department.

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## Podcast Transcription

### Implementing Lean Marketing Systems



**Joe:** You always hear the saying that 50% of marketing is waste; you just don't know which 50%. Lean comes in and says we're going to get rid all that waste. A marketing person is going to resist this? Did they ever get that feeling?

**Eric:** Our guys, first of all in the operations side that absolutely didn't happen. When we started the point, the procedure or the thought process in the manufacturing line, we did have some push back, and people really want to understand what the end goal was. But then when we approached our marketing teams to do this type of process, we had already had some pretty quick winds on the operation side, so they had already seen what the possibilities were. At the end of the day, they relished the opportunity because they recognized that they were shorthanded. So it's a way to be much more effective and much more efficient without adding additional resources if you want.

**Joe:** Can you take an example of one of the first initiatives and kind of walk me through the process of how it took place and what it was? Did you all gather and have a Kaizen event and did your Value Stream Map take place in the Kaizen event or did you Value Stream it in its own separate event and then go through it? Can you kind of explain all that to me, how that took place?

**Eric:** Well typically, so typically our process would start like this. Some higher level person in the organization, the director or the vice-president level, would decide that he thinks that this certain process or certain Value Stream is not as efficient as possible. Then the kind of lower level guys would get together and we would do a bunch of pre-work to kind of understand where some of the pitfalls might be or where the part of the Value Streams that we didn't understand. From that, we would get together the team that we thought

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## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



would be able to represent the experts in each part of the Value Stream. So at the end of the week, Value Stream Mapping exercise, we would have a very definitive action plan list. So we try to create the highest level of Value Stream Map that we could that would have create value in the end or allows to make the right amount of change, in the right places to see a positive effect. The real deliverable from understanding what the current Value Stream is was to develop what we expected the future of Value Stream to be and the action item list to get from whatever we were doing today to the end state or where we wanted to be at the next step. So that again, in the end, the action item list essentially would be little mini projects or Kaizen events and the real value was realized by the company when we would follow through on those action items in order to progress the Value Stream from where it is today to where it needs to go.

**Joe:** So when you build the current state map, did you go through all the things of like tact time and look at different time assigned to it, the non-value-added tasks and everything that we always, you know we always hear about Value Stream Mapping, did you do that in the marketing arena?

**Eric:** Absolutely, we did. I think you know it's extremely important to understand. In our event, it was absolutely imperative to understand the different Value added, non-value added required and just plain waste.

**Joe:** Did you find some?

**Eric:** Oh, absolutely. I mean most of it is either non-value added required or waste, the actual value added time is very small. At the end of the day, as often as we could, we



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## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



would calculate tact time but it's not always easy especially with the system that is. A lot of times, we would start out with events where the current state really wasn't completely understood. So we start out with a kind of; I would think of it as a strategically in this way. If we were gonna attack a large problem, the first Value Stream Map or the first attempt would essentially establish a baseline. Now, we would fix all kinds of things that we kind of knew were broken but aren't really sure. That first Value Stream Map implementation if you will, would give us a real stable understanding of how we managed the Value Stream and would allow us to, for our future improvements much more effectively. So the real first step in many cases was just to understand what was going on.

**Joe:** Sure. I think you find out at that point in time that there are a lot of holes in the system. People are doing things in a couple of different ways; nothing's really been standardized, and so there's a lot of variance in the system. Is that true?

**Eric:** Yeah, that's absolutely true. We have many times where we kind of knew there was a big problem because we kind of knew there are many different ways to skin the cat if you will. One thing we always focused on was; we're going to decide the problems. We're going to put the problems on the board. We're not going to be reserved about it. We're going to write it down and really make it visual so people can understand what we were dealing with. Sometimes we got pushed back in that arena because people didn't want to advertise the fact that there were problems. They just wanted to gloss over and fix them. We were pretty adamant with the fact that if you don't make it easy to see if you don't make the problems easy to see, you can never effectively fix it. Or if you fix it, it won't be fixed for good. They don't understand the ramifications of the problem.



# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



So the teams are very adamant on saying, here's the deal guys, here are the problems we found, here are the things that are causing us pain, we're going to put it on the board and there's going to be no judgment about it. It's all about understanding what the current condition is because if we understand the current condition, we can design a future state that's much more beneficial.

That was one of the challenges that we had to work through. Initially, people don't want to hold up the part of their job that they had been thoroughly involved with for years as possibly needing improvement. That did take work in many cases to smooth over.

**Joe:** Did you go ahead and look at the Value Stream Mapping a marketing process, let's say in the way that you design the ad campaign? How did you use the marketing? Can you give me a specific example maybe?

**Eric:** I think one of the first specific examples is to understand what our customers require. The second step was to learn how to understand what our customers require and to integrate that with what our company requires. Every company has specific rules and guidelines that you have to follow. Changing the policies is harder than working within it. So really allowed us to understand what the customer needs were, what the needs of the corporation were, what the needs of the individuals were, what the needs of our system were, cause in some cases, they are limited by the system that makes the business run and allows us to create a puzzle where all of those needs worked together to create the most value for the customers, as well as the corporation.

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Joe:** Well I find out so many times that unless marketing is involved in the Lean Process, is that we sometimes divorce ourselves from the marketplace. It seems that marketing and sales are the linkages to the marketplace. My old saying is customer value is not an output; it's an input. The company doesn't decide the customer value they provide; the customer does. If these values are not linked to your improvement efforts, really your improvement efforts aren't really improvement efforts at all, hard linkages, you don't see them in the marketplace.

**Eric:** That's absolutely true. Without the voice of the customer, let's be very clear that the customers, the guys who pay the bills spending thing, without the voice of the customer, it doesn't matter how well you manufacture or provide products cause they're not going buy it. We've seen more than a few corporations in the world have issues with the fact that the demand for their products is not there. And if you can't get direct customer voice, I think using your internal sales and marketing organizations as the proxy for that customer voice is absolutely imperative.

**Joe:** Do you think that Lean helped that?

**Eric:** I think it does, and I think the real issue is that the biggest benefit is that the Lean Discipline and the Lean Tools really break down some communication barriers. You start talking the same language; you start understanding. When you really look at what the inputs and outputs are of each Value Stream process, you really start to understand how each part of the organization, whether it's a sales function, operations or a distribution function, how well they're interconnected. Once you start to really understand how each part is interconnected, you can really understand how to link the value that's created to

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



what the customer requires and what the customer was willing to pay for. So I really believe it's the discipline and the process and the focus that Lean puts on customer value that allow you to strive for change.

**Joe:** The thing that I see a lot is when a Lean Consultant comes in to help, they talk on how the sales and marketing sides should, they should be leveling out sales, they should be doing all these different things, and make the operations side easier and I never looked at it that way. I always looked it from the opposite viewpoint. Good Lean sales and marketing should bring that customer and internalize his thoughts better into the process so that the leveling does occur from the customer side of view? That he determines what he sees. He determines that. When I go to that talk like that, I think the Lean Consultants are thinking they're going go out and make the marketing and sales guys, the data collection guys, the once that are going give them all this information and is going to level sales and tell them they need to sell more across product line and show them how important that is to the operations. Did that occur when you first introduced Lean to sales and marketing?

**Eric:** Yes, I think it did. I think and to me I agree with you first of all. To me, one of the best parts of utilizing our sales and marketing force is, they provide the conversion, the perspective of the customer. In other words, if we connected our operations and manufacturing environment directly to the customer, I'm not sure it would not be a disaster.

**Joe:** It'd be that old cartoon where they show the tire swing and what it ends up looking like at the end of the process. You know what I am talking about there.

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Eric:** Exactly. So at the end of the day, the operations process and the customer don't always speak the same language, literally they're speaking a different language. In the sales and marketing group within our organization really build the bridge, the way to allow the customers to converse with the process needs or the Value Stream Map needs or as a direct input from the customer would not have been beneficial because there's really two different language that's being spoken. Without using the sales and marketing organization, which understands what the customer's desire and understands the limitations or the ramifications of certain changes and how certain things have to occur within the business, without using them, we would never have the ability to really connect the customer need to the Value Stream process, if you will.

**Joe:** Organizations are getting flatter now? Is there more communication with your customers with the internal side of the organization or is it still just through the sales and marketing side?

**Eric:** I think as we progressed, it definitely gets flatter. I don't think its overnight though. It's a long progression. But I think as we see the Internet and other communication tools become much more transparent, a company's role absolutely needs to be able to be more customer focused and to be able to plug their customer's demand right into how they work their process. I don't think that the sales and marketing team will, it's not a skill that will ever go away or will ever diminish, but their functionality as a language translator will become less important.

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Joe:** The role may change and to be more team leader or more of someone that orchestrates the different components of the company with the different components in the customer's company.

**Eric:** I think that's a very fair statement, yes.

**Joe:** I'll go off on my tirade a little bit here and see if this is happening with you or if you see it in a similar way. Is that a PDCA Culture, a Lean Culture, as that gets deeper ingrained in sales and marketing. As a result, you get deeper ingrained with your customer relationships and how you perceive a customer. You build mutual respect. What happens at as you get a flatter, you are getting deeper into the customer, and the customer is getting deeper into your organization?

**Eric:** I think that's a definite possibility. Our organization has only been using Lean techniques for a few years. We have such a huge customer base that I don't think; it's going take much more than a few years to really be able to see that change.

**Joe:** What's the role that you're playing within the organization now?

**Eric:** I'm currently a sales manager so I have a specific territory, and I manage direct sales representatives.

**Joe:** Are you talking Lean and Lean culture to your sales people? Are you talking about continuous improvement?

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Eric:** At this point in time, I really haven't much. I've only been in this current job for about six months. As part of my future plans, I certainly will bring Lean Tools and activities to my sales folks. But as of yet, I really have been working on developing a few other attributes of their sales technique.

**Joe:** As a sales manager, can you see how the Lean Thinking Process and Lean Problem Solving Culture could help you in sales?

**Eric:** Absolutely. I think one of the biggest misses that we have in our sales cycle is that, it's not always as defined as it should be. Lean and Lean Tools certainly should drive our sales representatives to follow a general value progression and I do have that with every one of my sales guys, they are really focused on interconnectedness of how value is created when you interact with the customer. I believe putting some real discipline behind how customer-vendor interactions occur can certainly drive an effective Lean Sales Process.

**Joe:** How does Lean marketing support sales? Are they just passing on leads or you guys really talking as far as like from a team perspective and maybe even a step farther there Eric, how are you intertwined with let's say, engineering or IT or the support that you need to receive them? Does Lean help them in areas? Is there a cultural connection there?

**Eric:** I think it certainly could. In my opinion, I think the marketing organizations do take the leadership to the sales organization and really provide the Lean Discipline that allows sales people to improve their sales process. We all know that sales people are driven by customers' needs and not understanding all of what's driving the customer makes their

# Business901

## Podcast Transcription

### *Implementing Lean Marketing Systems*



lives very challenging. So any time that the marketing organization can support and help prepare a sales representative for understanding what the customer needs ahead of time will certainly push sales revenue up.

**Joe:** When you're a Lean company, we talked about reducing inventory, we talked about these things in operations, how does that affect sales and marketing? A lot of my sales people used to always come to me and say, the only reason they ever lost a job is because we didn't either have it in stock or basically, it was faster, better, cheaper from somebody else. Has Lean improved how sales look at the company and also has it improved their ability to sell, let's say?

**Eric:** I think it has and I think that the other part of it is, if you use the Lean Process on your current customer and they understand how it works, you become much more ingrained in their business. So you go from a supplier to a trusted advocate. Part of decreasing inventories and operating in a more Lean environment requires that there is a better process system between the customer, the end user, and the manufacturer. I think it's the burden of the sales organization to make sure that that communication occurs. Once your customer is more directly plugged in with your operations, you now become a more vital asset within the customer organization. We've seen that some of our best customers, are customers that were directly linked with that relationships, allowed them the peace of mind that we will be there whenever they need us to be there. The fact that we have that communication between customer, and our organization has really led us to be the preferred supplier in many cases.



# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Joe:** You work for a large company. Is the Lean Culture spreading worldwide at your company? Or is it isolated in the certain sections of it?

**Eric:** Oh, it's worldwide. In fact, I think some of our overseas brethren have embraced the Lean Culture more quickly than we have in the US.

**Joe:** When it was first introduced to the company was it done through a consultant? Is it done from let's say, a mandated by upper management that we're going become a Lean company and this is how we're going do it? How do they kind of introduce the transformation?

**Eric:** Our initial Lean, journeys into Lean was, we're driven and lead by a consulting organization. I'm fairly certain that you know that progress was driven by our top management.

**Joe:** Now you talked about the different use of Lean Tools and in Value Stream Mapping most particular, what are some together Lean Tools that have been applied to let's say, the marketing side?

**Eric:** We started working on a few different ways to really analyze our marketing data. Specifically we're we using some PPN stuff, process makers to understand what the drivers or what the slowdown parts of our Value Stream were. But, to be honest, we haven't gone to the point where we really are so refined that we have to focus on the data. The broader Value Stream Methods still being more effective because we can you know, once you visualize the process or the Value Stream problems and then fix them, it increases our

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



efficiencies dramatically. As we continue down this road, we will need to use PQA and other data analysis tools in order to improve.

**Joe:** What you're saying Eric then, is that just the Value Stream Mapping process can lend so much to improving sales and marketing that it gives you a lot to work on.

**Eric:** It certainly had given us lots to work on. We're still deploying it within other areas of our business like finance and such as well. But I don't think Value Stream Mapping in of itself will be the end all and be all but it certainly is the place to begin in my opinion.

**Joe:** Fair enough. What's going on is a great improvement, a lot of times.

**Eric:** That's where we've seen a lot of our best improvement. It's just trying to understand what's really the story, right?

**Joe:** Yes, and you laugh about it but there's so much truth to it because the thing I guess I want to say is that everything is a process, sales, the marketing, it is a process in itself and when people recognize a process and start looking at it, there's huge areas for improvement.

**Eric:** Certainly, that's certainly the case in our business. In my guess, it is the case in every business as well.

**Joe:** Have you done anything where on the visual side to improve the way you looked at the different aspects of sales and marketing with visual boards or task boards or I will use

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



an old term here, I don't know what the quite the new term, maybe but the war room or anything like that?

**Eric:** Each one of our Value Stream Mapping events is set-up in that manner. So we would typically start in a big conference room and by then the week three or four days, the whole room would be set-up with various visual aids if you will, and then those visual aids follow the little project teams. Typically, what happens if we have five or six or seven people in the room, each one of us may be an expert on each part of the Value Stream?

At the end of the day, each one of those people leaves the room, becomes a leader in fixing their part of the problem, so they may go and work with you know five or six other individuals that are really focused on one little-detailed area. So they take those aids with them but, to be honest, a lot of the tools we've used to make it visual are very simple. We don't have a lot of defined visual aids really. What we do, just push the group to come up with their own way to document and enforce change instead of trying to spend the whole lot of time teaching what certain visual meanings are. I can tell you most of our Value Stream Maps are white paper, and many different color sticky notes and those have been the most effective.

**Joe:** I think that's true of most because that hands-on are what makes it work. It's very tough to do even a virtual setting. Have you tried to do any of this virtually or anything like that?

**Eric:** We have, and we do have some part of our organization that had done it on a computer and it's very challenging. We don't have a group or a bunch of people who are

# Business901

## Podcast Transcription

### *Implementing Lean Marketing Systems*



very tech savvy in order to get it done. One of our biggest challenges is we're so geographically dispersed that is not always easy to get people in the same room, and after you leave, everyone's going different area of the world. Even on the tech side of it, you lose some stuff, you lose some communication, and you never document everything as well as when you're writing on the flip charts, stick it to the wall. So while I think it can be done, and certainly there are times that you have to do it when you're covering many times zones in different continents, it's still I don't think the preferred method.

**Joe:** I think that if you can do it with sticky notes and do it on a board is the preferred method. It's how you engage people the best and once you take it on to the computer which you're forced to do if you're going to do it virtually with different people, throughout the world, you lose something. Business is still done in this world with a handshake and being a sales guy, I think you'd appreciate that.

**Eric:** Absolutely. A couple of times we have had successful events where we started out with teleconferences and electronic communication and all the technical stuff to really define what the problem was. When they came to understand the future state map and the action item list, we brought the team together for one and a half days to really grind out what the real, where the real value improvements were. That was very beneficial because it'll keep our cost down while letting us realize what the real benefit of the process was.

**Joe:** What has been some of the best information that you found at that helped your Lean journey? Has it been you know just the websites or certain conferences or any books that you have found that really assisted yourself in the Lean journey?

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Eric:** The most influential tool we've used is the book "Learning To See". It really lays out how the process works and how to use visual cues to communicate across groups. So I'd have to say that's the book you really want to familiarize yourself with if you're going to start the Value Stream Mapping exercise at least. Certainly you have to put it within the context of other Lean Principles. Reaching out to the Lean community is one of the greater benefits because you'll find that in many organizations they won't talk about what goes on behind the doors. When you start talking about Lean and Lean Process and Lean Implementation, a lot of organizations are going to share their thoughts, their opinions and what their benefits have been. As well as learning how to do it, it is also about how we don't do it. So I think that the organization as a whole has been pretty open.

**Joe:** When we look at marketing as a whole, where do you think you can take Lean in marketing in the future? Where do you think that may go or even in the sales process?

**Eric:** Well, in the sales process, I think the Lean Tools really should be focused on how to define and prepare and how to refine the demands of a good sales cycle. Within the marketing organization, I think the biggest win will be in understanding how to strategically deploy new products or how to strategically implement changes.

**Joe:** I think when you go through that Eric, I think you make some real valid points there because I think the important part of Lean is that it encourage you to go the customer to see how your products are being used and what their needs are. That knowledge and mutual respect that you create between the parties is really what grows your business.

# *Business901*

## *Podcast Transcription*

### *Implementing Lean Marketing Systems*



**Eric:** I think that's absolutely true. It allows you to plug your organization into your customers' needs and from a marketing perspective allows you to anticipate what they want and what they need into the future and allow your organization to drive value creation for your customers if you're looking at in a forward looking view.

**Joe:** If you practice Lean internally, I think you look better with the value you deliver to the customer. You are looking at the value you're adding and for a sales guy, that is really what I am looking for from an organization.

**Eric:** Absolutely. Let's you recognize the two types of value? The value you're creating for your customer and the value that you're creating in or driving for your company as well. Because every company has certain requirements that the customer may or may not know about or not care about, but both need to be satisfied. It allows you to really recognize where values created for your customer that they will pay for now and how to manage your side of the business as well.

**Joe:** I think that's an important role for sales that we sometimes forget it. They understand what is the value that the company provides and have a better idea of how to sell that value, right?

**Eric:** Absolutely.

**Joe:** Is there something in this area that you think that maybe we didn't touch upon that we should talk about more in using Lean in sales and marketing?

# Business901

## Podcast Transcription

### Implementing Lean Marketing Systems



**Eric:** I think it would benefit the Lean community if someone who really understand how to approach a customer and how to build that initial communication of "Hey, we're trying to be Lean. We think you're trying to be Lean. How do we get your people or your needs and our needs hooked up together so that we can really understand how we both create value for each other and how we move forward with the progression?"

I think, once you go from vendor to customer barrier, there are always some tentativeness there especially if it's a very highly competitive market. So if people can understand and learn how to begin to address that subject and begin to have the communication across that barrier, will be more effective for both the customer as well as the vendor in this case.

**Joe:** If I'm a customer, and I'm sitting back here and I'm saying, "I'm dealing with a Lean company here, they're never going to have any inventory, and they are never going to be able to support the product." How do you argue against that?

**Eric:** Well I think you know having no inventory is a misnomer, right? No one runs their business with no inventory. They may control their inventory better which is the selling point, right. We can react to your customer's needs. We just need to discuss what they are, and I think they're very few to no businesses out there that run with zero inventories. It's having the appropriate amount of inventory to exceed or meet the needs of the customer base.

**Joe:** You said there about recognizing that a Lean company and how they can effectively manage supply chain and also the sales cycle is very interesting because in the Toyota Way Field Book, they have this seven step process of vendor achievement or the supply



# Business901

## Podcast Transcription

### *Implementing Lean Marketing Systems*



chain on how Toyota works with their supply chain. It's a great way to look at the sales cycle of how you build and create that relationship with Toyota to be able to supply to them and ultimately, it's mutual respect at the very top of it.

**Eric:** It's absolutely true. At the end of the day, if you can coordinate and plug to your operations in as tightly as possible to the customers, you're going to see value creation for both organizations. It's the unknowns that create a lot of risk and challenges in business. So if you break down those barriers and figure out a way to have more than one organization respond in the same tune if you will, that's really where value is going to be created and that's one of the things that Lean really allows us to do.

**Joe:** One of the things that I always feel is we're not in what I would say an economy that's based on supply anymore, we're in a demand economy. A customer can pretty much find any product at any time for any price, and you can't take the statements literally but there's a little bit of truth in that. Have you seen how Lean can help in a demand economy?

**Eric:** The Lean is the tool that creates the customer-owner-vendor relationship. That customer-vendor relationship at the end of the day can really provide a lot of stability. Because organizations or at least large organizations as they operate their business, they always have to factor in the risk part of it, right? We have many customers that could get our products that are faster, cheaper tomorrow, but maybe only for tomorrow. The risk part is not understanding how well the other competitors out there can react to what the current supplier reacts. So as you become a more entrusted supplier, I honestly believe that all other competitors become less competitive because that history and that limited

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risk allows the current set-up, the current customer, the current vendor to be much more focused on creating value for both organizations.

Understanding that every part of Lean is not about getting that answer, it's about making the process or the Value Stream better. Once you've figured out how to make the process of the Value Stream better, the next step is to figure out how to do it again. We focused a lot of times in our world at finishing the task and finishing it well and moving on to the next task. If you want value creation, you really need to pick a task and allow that task to continue to improve while engulfing other parts of the business or other parts of the Value Stream, always building on top of each other.

You might start with addition and subtraction and by the end of the day you are doing calculus. It's a similar progression. It's not one event in time, its many events that are interconnected that lead to a really strong Lean organization.

**Joe:** I think that's well said because it is about continuous improvement. Our tasks are never finished, and it's what keeps us ahead of the competition. I would like to thank you very much, Eric. Anyone would like to make any comments, what's a way to get a hold of you?

**Eric:** I can be reached via LinkedIn. Anyone out there is more than willing to respond to any messages via LinkedIn.

**Joe:** I thank you very much, and it's Eric Haberkern and that's how you're listed on LinkedIn. This podcast will be available on the Business901 iTunes store and the Business901 blog. So thanks again, Eric.

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**What others say:** *In the past 20 years, Joe and I have collaborated on many difficult issues. Joe's ability to combine his expertise with "out of the box" thinking is unsurpassed. He has always delivered quickly, cost effectively and with ingenuity. A brilliant mind that is always a pleasure to work with." James R.*

Joe Dager is President of Business901, a progressive company providing direction in areas **such as Lean Marketing, Product Marketing, Product Launches, and Re-Launches. As a Lean** Six Sigma Black Belt, Business901 provides and implements marketing, project and performance planning methodologies in small businesses. The simplicity of a single flexible model will create clarity for your staff and, as a result, better execution. My goal is to allow you spend your time on the **need versus the plan.**

**An example of how we may work:** Business901 could start with a consulting style utilizing an individual from your organization or a virtual assistance that is well versed in our principles. We have **capabilities to plug virtually any marketing function** into your process immediately. As proficiencies develop, Business901 moves into a coach's role supporting the process as needed. The goal of implementing a system is that the processes will become a habit and not an event.

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