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Implementing Lean Marketing Systems

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Guest was Ankit Patel of
The Lean Way Consulting



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Ankit Patel is the founder of The Lean Way Consulting. Prior to starting The Lean Way Consulting, Ankit was a Lean consultant for Dell Inc. overseeing Dell's Manufacturing and Re-Manufacturing production processes in Lebanon TN. Ankit helped guide the multibillion-dollar plant in strategic planning, coaching executives at the plant, facilitating Kaizen events and training Lean leaders at all levels of the organization. Ankit is no stranger to the board room or the shop floor and has run several strategic initiatives as well as 100's of Kaizen events.



Ankit has also had several years of small business ownership. He has owned a Liberty Tax Service, started his own online computer education company [My Computer Buddies](#) and has been a partner in a sandwich shop and a motel. Ankit has guided a variety of small and medium size businesses ranging in services from veterinary clinics to tattoo parlors.

His experience to change and grow companies ranges from small businesses to multinational fortune 50 companies. Ankit has an Industrial Engineering Degree from Georgia Tech and lives in the Nashville TN area. You can follow Ankit on the blog <http://theleanwayconsulting.blogspot.com/>.

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Joe Dager: Thanks everyone for joining us. This is Joe Dager, the host of the Business901 podcast. Participating in the program today is Ankit Patel, the founder of The Lean Way Consulting. Ankit, would you tell me who Lean Way Consulting is and about yourself?

Ankit Patel: Thanks, Joe. Lean Way Consulting is a company that I founded, and it's designed to help small and medium businesses using Lean Six Sigma practices. And to back up a little bit, my background in Lean Six Sigma is actually with a Fortune 50 company, actually with Dell is where I got my training. I've seen it work very well in manufacturing and remanufacturing. There is a need for these types of skill sets in small and medium businesses, and not just in the manufacturing or operations side but also sales, marketing, even PR. This can really reach all aspects of the business. That's really what the Lean Way consultant does really take your business, take these principles and tools that have been proven and apply them to your small and medium size business.

Joe: That's interesting that you mentioned sales. I talk about it in the marketing perspective and how Lean applies. How do you tie Lean principles to sales?

Ankit: Well, we use the simpler tools. So, I like to use the KISS method, "Keep It Super Simple." So, we try not to over complicate it. Some of the main things that we do when we'll go into the sales department is a standardized process. The bigger thing is testing that process and methodology. A lot of times, there's not a systematic way of testing what works and what doesn't with sales. So, for instance, if you're trying to sell, some shampoo items in a hair salon. Well, when do you ask for the sale? How do you go about asking?

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What are some things you might want to consider want to ask about shampoo? Does a person have a particular type of hair? You need to standardize that process.

Let's ask these specific targeted questions at the right time to the right people to maximize the opportunity to have a sale. That's just one small instance of how you can do that. There is also the standpoint of standardizing.

Make sure every single person that walks through your business is asked, "Would you like this? Or would you like that?" Or making sure that the right qualified buyers are asked about all the products that they're qualified to buy?

Joe: The salesperson is pretty independent sort, do you get a lot of pushback when you start talking about standardization?

Ankit: Sometimes. A lot of times what we do is we actually take the top performers, and we say, "What are you guys doing? Let's see how we can improve on that and see if we can't replicate that throughout the company." Usually, there's a little less push back with that because sales are very metric based operation. When we say, "We're going to take the top performers and try to replicate it." Most of the time people are very responsive to it. Now, just like any other Lean transformation, sometimes there's a lot of push back, and sometimes there's some attrition. That's going to be true of any transformation or business cultural change that you go through.

Joe: Is there a certain type of person that works better in sales, that works better in Lean than another maybe?

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Ankit: Not necessarily in Lean. Lean is actually a pretty universal type skill set. It actually hits on a lot of natural human... I guess I'll call them human needs. Things that motivate us, motivating factors as employees are actually the concepts that Lean tries to focus in on. So, for instance, Lean gives you control of your work. Making improvements so you really have a feeling of control, and that's one of the most important things that actually we find that motivates most employees, that feeling of respect. That's another thing employee's want is a mutual respect as well as a feeling of accomplishment. So, with Lean you get all these factors that help motivate people.

Along the lines of sales, you don't necessarily need a certain psychological profile, but it really helps. What we've found is that you want two things and depending on what you're selling you want either one of these, or you want both. You want someone that develops a rapport very, very quickly; so someone that you can just talk to and just instantly get a bond with.

You also want someone who can ask for the sale, basically close the sale. The person that can close the sale usually is a person with extremely high confidence. Sometimes they're the ones that may come across a little rude just because they're always the "pushy car salesman."

You want a blend of the two depending on what business you're in. If you're in a really relationship type business, you really typically want a person that can do both. If you are in a consumer driven business, a high volume consumer-driven business, it's not as important to have the rapport side of things. You want someone that can close the sale. So again, it really depends on the product, the market, and the business needs.

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Joe: As you make that description of that salesman I think of a good salesman, and you're right. I mean they have the ability to build rapport and different things with me. But then at times I will say, "Give me a little bit of space. I don't want to be pushed anymore." They're coming on maybe a little too strong. That's interesting in that comment that you made there because it's a nice model that you've described.

Ankit: Yes, it's not very easy to find those folks, but there's actually a certain way to go about systematically finding that psychological profile. If you can't find that exact profile, then you have to design that into your processes to say, "I know it sounds silly but sometimes you have to say make sure you ask the client about XYZ. Ask them about their family, ask them about their business. Ask them these rapport questions. Then start building that bond with them." Or, if you have the other problem, ask them, "This is how you close the sale. This is how step by step process that we standardized to be able to close the sale." If you're not a naturally good salesman, then the Lean sales process will actually help you even more. And like I said, most people really don't have a natural sales type profile. Most of us are better off in other areas of business.

Joe: We talk about Lean; we talk about respect but then we go to standard work. Does standard work kind of dehumanize the process or can you explain that standard work a little better to me in the service industries?

Ankit: Standard work is actually not what most people think it is. When people hear standard work, most of the time they think, "You know what, I'm just going to be told by our managers what to do and I lose all thought and I'm just going to be just put in building widgets all day and I don't like that. I lose my creativity; I lose who I am." And that's

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actually 180 from what it actually is. Standard work is really just a way to make sure we can help improve a process. We don't want to have put in something that the folks who are doing it every day, the front line folks, the operators, they're not comfortable with. Where we find it really successful is, we go in, and we create standard work, but we basically have the front line folks create it.

Whatever they're using, they're creating for themselves. We explain the reason why we're creating this is to prevent mistakes so we can actually improve on the process and get better. Once that's explained, people are really receptive to that. They really like the fact that they can control their area. They control what they do and make things better and easier for them to work with.

For instance, I was working with a veterinary clinic, and they had some errors on their check-in and checkout process. I asked them what would help, I asked the right questions, and they came to, "A checklist would really help." So, I said OK, I'll let you guys create a checklist, a check-in and check-out checklist, so we can verify that everything is working, or that we do everything for that process. Since that's been implemented, all the errors have gone pretty much to zero. There have been one or two stray errors, but beforehand we were seeing one or two hours' worth of rework, before we put in the checklist process. Now we see less than five minutes of rework.

Joe: Everyone has checklists or three by five cards lying next to the cash register or taped to the side of the counter. Isn't that something that works for a week or two and then you just stop doing it? How do you sustain it?

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Ankit: The sustaining piece is the hardest part of any kind of lean effort. With the sustaining piece what I find works is: One, you go in with the attitude saying to the folks, "Hey, if this doesn't work, let's change it, but we have to give it a sufficient amount of time for it to work. We want to know specifically what does good look like." For instance, with the checklist views of the veterinary clinic, we said, "Success looks like zero or very little rework having to be done the next day for entry errors." If we meet these criteria, it's working. There is no reason for us to go backward. That usually sets up the criteria, "OK, this is our goal, so let's shoot for this goal of zero errors."

Now, we don't necessarily say that we are going to standardize work, even though that is a tool that usually comes up. We don't necessarily say we're going to use a checklist. It just so happens that in this situation a checklist seemed to be the quickest way that we could ensure that we block these errors without having to have an excess amount of capital.

There are all sorts of ideas that they came up with. There was a barcode system, you know when you go to a gym and you walk in they ask you for a little tag on your key chain, you can scan it and they know who you are, something like that for the pets came up as an idea, but there was low capital so that was pushed off to the side.

Long story short: having the checklist worked because 1) they could change it, 2) the pressure was off if it didn't work - we said hey we can go back - and 3) we set very clear criteria of what good looks like. And with those three factors usually it's very easy to get people on board with these changes.

Joe: When you start Lean process in an organization, do you like to start with sales? Is that a starting point or should you start with the internal processes?

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Ankit: It depends. It's really just wherever they have a need. If we go to manufacturers, even if it's in a small or medium-sized manufacturers, usually their need is somewhere in operations, and they usually have more opportunity elsewhere, but, they want to improve operations. So, we will start operations. Do the manufacturing designs, the transformations and those types of things. In small businesses, like service-oriented businesses, such as this veterinary clinic or medical practice, sometimes their opportunities are more in the revenue side, the sales and marketing side. So what we do is we start there first.

It's really where there is a need, and where there is an appetite to start. That's really one of the things it takes to be successful in the Lean transformation or any kind of thing done Lean. Any time you do a cultural change, people really need to have a motivational drive to change. If you go to an area that's working fine, there is not going to be a motivation to change.

To answer your question, not always, but sales really does help when you go for the smaller businesses that don't have as many operational concerns. Sales usually is a good place, but if you go to more complex, small and medium businesses like manufacturers, operations are usually a better place to start.

Joe: I think a lot of times, just because Lean lends itself so much to operations and so much have been written and people notice that manufacturing is a natural place to start when you're in a manufacturing company. Can you really be Lean and become a Lean company without including sales?

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Ankit: That's a very interesting question. People often ask, "How do I know when I'm Lean?" And I use the analogy, "How do you know when you're an athlete?" It's not exactly a hard and fast concept. You know when you're a Six Sigma Black Belt. You get the certification. You use these tools. You pretty much demonstrate a certain level of skill set. With Lean, there's not quite that same analogy. If you have a trained Lean eye, you can come in and see hey, this company is on a certain point in their journey. If you really talk to anyone that gets Lean, Lean really has no end point, so it really is a question of how long they have been on the journey. I say that because Lean is always about continuous improvement, and you can always be better, so there's no real endpoint.

You have it in just operations doesn't make you necessarily less Lean than someone who has it in all areas of their business. It really just depends on how well the culture is sticking and how you're changing and continuously improving, and how well you're using these methods.

Joe: I always think Lean, and I think visual is a big part of it. Is there such a thing as visual thinking in sales with the Lean methodology?

Ankit: Oh absolutely and I'll give you the perfect example at the veterinary clinic again. They're brick and mortar store, and they have clients that walk into the building. What we did with them is we experimented with placing certain objects and certain signs at certain places with certain design patterns. Long story short: we basically experimented with different sales promotions, but listed for places. If there was a special heartworm medication or if we just wanted to sell heartworm medication, we would put up a box, a heartworm medication box, at a strategic point. Maybe at the check-in process or maybe

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right in front of them as they're sitting and waiting for the doctor to come see them. We would test the two locations and see if our heartworm medication sales went up or went down.

Also from the standpoint of products, we wanted to make sure that people could see the products for sale even if they weren't very visible. We would put up signs, maybe experiment with different colors. The visual aspect comes into a different dimension when it comes to sales. People won't talk about this as much, but I always think that especially in small size businesses giving the client information about what's available is also valuable to them and not just providing the services.

If we can say, we're selling these leashes for five dollars and you can see that it becomes a much easier decision for them, it's like, "Oh wow, I've been looking for a leash that's inexpensive that's nice just like this and the price is right." There is some value to be able to see all the information and have that information in front of the client.

Let's take that to another road. Let's say your business is like a lawn care business where you're calling people, cold calling or warm calling people, saying, "Do you want to buy our lawn kit services?" Well, in that case, for the client side, you're educating them, but there are not so many visual indicators for the client, but there are a lot of visual indicators for the sales person.

A lot of times, they'll have just a big list, a bunch of sheets of papers with just names and numbers, and they go down and check the list. Well, why not for instance, we've had people go through and say, "OK, well, we need to call all these clients. Let's use a color code for what they say. If we didn't get a hold of them, highlight it in yellow. If we did get

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a hold of them and they want to buy, highlight it in green. If they absolutely said no, no, no, no, take us off your list, highlight it in red."

There's some standardized notation that we could put at the end. For instance, if they were interested in XYZ product, we would say, "Interested in this product." Most of the time, what would happen was we would call them, and they didn't say no, they didn't say yes, but they would need a follow up call. We would note that, and we would put a status of saying, OK, well here's where this person is. This person is interested, but needs a follow up in two months when house is bought or new house, whatever they needed.

And with that process, you're able to keep track of your entire client list. So with sales, it's a numbers game; you really want to make sure you keep track of all your numbers. Typically, people use a CRM tool for this. CRM, sometimes, gets a little excessive, with a lot of typing. This way, it's just on your sheet of paper, highlighted colors, and you have some handwritten notations; so it's a very simple system.

The only downfall to that is it's harder for everyone to see the information. It really depends on your company and what the needs are and how we would implement the visual controls.

Long answer short: yes, very applicable, but not in the manufacturing sense, maybe slightly tweaked. Human beings are very visual creatures so if you can see it, you'll fix it, or you'll process it.

Joe: Tell me a little bit, though, about the six-month challenge. What is it that you offer?

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Ankit: The six month challenge is basically an offer that we give to all our clients saying, "Let's sit down for six months and let's come up with some goals that we can achieve that you have a need for." Then what we do is we say, "Here's some mile markers, some milestones," and then we try to hit those as we go along. At the end of the six months, if you're not satisfied, you don't pay for the services. It's a money-back guarantee, but it's really designed for people who are hesitant, maybe on the edge like, "I want to get better, but I don't know if I can afford it." The reality is, you probably need it, but we make it easy for people to say, "Well, let's just give it a try." That's the biggest thing I emphasize: starting things now. That makes it easier for people to start it now. Once it gets started, it becomes easier to gain momentum, but this takes away one of those concerns of "I don't know if I want to do it now or not."

Along with the six-month challenge, we have a relationship with an online radio show where we'll feature the company on the radio show and feature the progress. So, if that's something they want to do to get a little extra publicity for the company, we'll feature them there.

Joe: Do you really feel like you can make a significant difference within six months with a company?

Ankit: Yes, very much so, especially with some of the smaller businesses. For instance, at veterinary clinic, we're able to raise their sales by 30 percent just by adding some of these simple methods put into place. That was only done within two months, and there's still a lot of opportunity left. We're going to start the marketing phase now, and so there's quite a bit of opportunity. Six months, depending on your goal, is very reasonable. I'll give you

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an example with when I was working with Dell. We had a production line that we picked up and moved from Austin to Tennessee. We redesigned it, implemented all the equipment, did everything in less than six months, and we got savings within that six-month cycle time. We spent all the money to move it, and we were starting to save money, pretty much on the day of install. By the time the six-month period hit, we were actually rocking and rolling and people had started learning about the process and I believe we had saved, what was it, 15 or 20 percent - I have to look at the exact number, but it was in that range - on their bottom line.

Joe: Now I found that very interesting, your experience with Dell, but then also your experience with the smaller tax companies and the computer companies in that it gives you a pretty wide variety of experiences to draw from.

Ankit: Absolutely. And these principles, a lot of times people have the notion that, "Oh, it's only for manufacturing, oh it's not..." "That's fine; it works here, but it's not for my business." It's the, "I feel like I'm a little too unique for this." The reality of it is these principles, these tools, and the Lean culture is very flexible. It can be adapted to any business; it's just a matter of finding how to adapt it. That's the trick. It's not that it won't work; it's just how you make it work.

Joe: Do you think you can change in Lean culture without some outside help? Do you think it's really possible for someone just to want to become Lean and start investigating it and doing it? Without some added training?

Ankit: Short answer is, no. The reason why is because it's very hard to have that compass or that direction of where we need to go without having someone who is not

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directly tied with the company. A lot of times we'll get bogged down into the day to day operations, and the people who are internal consultants sometimes have a hard time leading the right direction. One, they may know the same as the external consultant, but they don't have the same type of influence. People work with these folks all the time, they know what they're capable of and quite honestly they may or may not have perceived credibility to say, "Hey, we're doing this wrong, we need to do it this way." Whereas an outside consultant can come in and say - they may not say anything different, but just because they're from the outside they're able to say, "This is what you need to do." People will tend to listen more. Outside consultants usually have a lot more experience because, like myself, a broad range of experience, a broad range of industries, a broad range of people that I work with. So, it's much easier for me to adapt to other situations than it might be for an internal candidate.

If you want to get started, I highly recommend, like I said, start it now. Start reading some Lean books, start getting out there with finding out information. Give us a call, we're happy to point you in the right direction of where to go.

Joe: I think you did a wonderful job explaining, especially the sales processes in the areas of small business where you can really make a difference. Is there anything you'd like to add that I didn't really ask you here?

Ankit: I think the takeaway might be, that I didn't really emphasize is test, test, test. Lean is about experimentation. And Joe, actually I wrote about this per your information that I found out about Boyd's Law. Short answer is basically, testing more and doing it quicker will give you more information faster and will actually help you improve your

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processes quicker. So, the idea is test, test, test, and try out new things. Give them enough time to make sure they work or not, just to find what it means for it to be working. And then try something new. That's the biggest thing I can emphasize is don't stay stagnant.

Joe: I think you're so right. I would like to finish up by saying thank you. If you'd like to find out more about the Lean Way Consulting, you can do that at their website, LeanWayConsulting.com. This podcast is available on the Business901 iTunes store. Thank you very much, Ankit. I look forward to talking to you some more.

Ankit: Thank you, Joe.

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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. Part of your marketing strategy is to learn and implement these tools.

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