The challenge

In this era of austerity, everyone is looking to cut costs. But for defense departments, budget cuts tend to come at a price, and all too often the price is either reduced safety or diminished effectiveness.

Anticipating a funding shortfall in 2009, the leadership of the Royal Netherlands Air Force (RNLAF) recognized that the status quo had to change. The department needed to achieve better results, while using increasingly limited levels of both staff and funding. Most importantly, safety levels could not falter as a result of cost-cutting measures.

Having gone through a number of improvement initiatives in the past, the RNLAF also insisted that any change program would need to be sustainable in the long-term. They expected the project to impart a transformational culture change that would instill a sense of continuous improvement across the organization.

Noting the impact of symptomatic challenges such as extended maintenance times and high overhead costs, the leadership of the RNLAF set their sights on adopting Lean Management approaches to drive down costs and enhance efficiency while simultaneously maintaining a high level of morale and participation on the work floor.

The approach

The key to the Air Force’s approach was in empowering their people to affect change. To start, the project team — supported by Lean Management professionals from KPMG — adopted a ‘train the trainer’ strategy that began with senior leadership and included a range of training programs for employees involved in improvement initiatives.

As Lean trainers and coaches, these employees were deployed across the organization to roll out the program at all levels and across all disciplines. Having generated department-wide support and buy-in, the teams were then encouraged to use Lean tools and Lean Management processes to identify and implement process improvements within their specific areas.

Employees were supported by a project management office which provided instruction, training and knowledge to help employees implement and secure Lean improvement methodologies across all areas of the Air Force.

The RNLAF focused on driving employee engagement in the program to achieve more substantial and sustainable results. Significant wins were celebrated and team achievements were recognized. The team also set up a Lean Center of Excellence within the Air Force to share best practices across the organization and maintain the program’s momentum.

The results

The Lean training and facilitation project quickly delivered impressive results. More than 250 individuals including the Command Group, Air base Management Teams, Special Staff and Branch Heads within the Royal Netherlands Air Force were trained — and a large majority certified — in Lean.

Within the first nine months of the project, the department executed more than 60 process improvements that both reduced cost and increased efficiency. For example, maintenance lead time at the Chinook maintenance squadron decreased from 19 weeks (unstable) to 11 weeks (stable) without increasing costs or staff.

Results were not limited to the work floor. For example, by leveraging Lean Management techniques and tools, the RNLAF succeeded in influencing Military Air traffic regulations by simplifying processes while maintaining high levels of safety.

Lean was essentially applied across all processes at the RNLAF, ranging from planned flying maintenance and work floor areas to administrative environments which effectively reduced waste and raised moral across the organization. Even divisional secretaries were involved by using Lean techniques to improve office working environments.
Lessons learned

For defense organizations looking to reduce cost while improving effectiveness, the experiences of the RNLAF provide a number of valuable lessons.

— **Empower your people to affect change:** By providing robust training across the organization, all employees were exposed to the principles of Lean and were better able to support projects and maintain momentum. Ultimately, by providing hands-on training and support, the RNLAF achieved a culture of continuous improvement across the organization.

— **Focus on frontline staff:** As with most Lean processes, many of the most impactful improvements occur through small but significant changes on the frontline. Recognizing this, the team focused on encouraging frontline staff to lead programs and — as a result — all of the improvements at the RNLAF were initiated directly by the workforce themselves.

— **Build in big wins:** Maintaining momentum and engagement in long-term efficiency projects is always difficult. By constructing and promoting a number of impactful and prominent wins at the start of the project, the team was able to drive greater motivation within the employee population.

— **Secure commitment and leadership from the top:** Top RNLAF management were highly committed to the Lean initiative and, by using Lean tools themselves, were better able to provide direction to the program and ensure that improvement initiatives were aligned with their long-term strategy.