

VMEC Hosts “Lean Accounting” expert Jerry Solomon, author of Who’s Counting?

VMEC has worked with nearly 1,000 companies since 1995 and many of these Vermont manufacturing enterprises have now been on their Lean journey for a number of years; but some leaders continue to press hard to take their organizations to new levels. A number have struggled to integrate and connect financial statements and functions to their Lean initiatives, while fully understanding the importance of changing measurement systems and behaviors to support their Lean Enterprise. Answering a needed call to action, in April 2012 VMEC was pleased to sponsor Jerry Solomon, *Shingo Prize* winning author of Who’s Counting? for a three-day visit to Vermont. In addition to teaching a rich, two-day workshop and a public *Vermont Manufacturers Forum*, VMEC partnered with Jerry to bring an intense, six-week “Accounting for World Class Operations Consortium” for a group of leaders from Revision Military, Classic Designs / Tablelegs.com, Dynapower Corporation and Wall/ Goldfinger, Inc. The six weeks of group study were based on Jerry’s award winning book about Lean Accounting. VMEC facilitated hour-long, weekly phone conference discussions with a different participant company responsible for leading each discussion based on what they had learned. A mid-point book webinar was also included as part of the Consortium experience, giving participants the opportunity to learn even more from Jerry’s depth of experience and ‘connect the dots’ between the need to change and the challenges in doing so.

Along with the Lean Accounting Consortium members, the two-day public workshop was attended by additional area manufacturers. Based on a graduate level certificate course that Jerry teaches at the University of Wisconsin, the workshop covered topics such as: understanding Lean principles, how accounting for Lean applies to production activities, why Value-Stream costing is more accurate than standard costing, plain English P&L, case study of a Lean accounting conversion and Lean organization and cultural change requirements.

Jerry’s educational visit concluded with a public *Vermont Manufacturers Forum* sponsored by VMEC and the Vermont Training Program, hosted at IBM in Essex Junction. The *Manufacturers Forum* presentation and discussion were a highly condensed version of the previous two day workshop.

Dave Redmond of Classic Designs / Tablelegs.com summed up Jerry’s visit and its importance to the Consortium team by saying, *“I really liked the common sense principles. The focus on leadership and people, respect and development hit an important nerve. I was delighted by the whole session.”*

If you’re interested in learning more about Lean Accounting and its possible benefits for your organization, contact Brian Werneke at bwerneke@vmec.org or call 802-728-1432.



Lean Accounting Box Game conducted by Jerry Solomon