

Creating Improvement Focus:

*Finding the Opportunities and
Aligning the Organization*

August 4, 2016



2016 Lean Systems Summit

Where Government, Services, and Manufacturing Meet



Session Objectives

TO:	Create a foundational knowledge (what, why, when and how) of the Improvement Planning process
FOR:	You, workshop participants
BY:	Participating in <i>tell/show/do/recycle</i> approach based training
	<ul style="list-style-type: none">▪ Describing Continual Improvement (CI) Planning and its different meanings, benefits Improvement Planning's use brings, and when to use a planning process
	<ul style="list-style-type: none">▪ How it is used (basic steps, key elements, and methods) that enable its speed and success
SO THAT:	<ul style="list-style-type: none">▪ Questions & Answers
	<ul style="list-style-type: none">▪ You personally grow improvement knowledge and abilities▪ You better understand how to use data to focus improvement▪ You can see improvement opportunities▪ You can understand and describe the process and follow the methods used in the process (Get additional training and application help for leading the process.)
	<ul style="list-style-type: none">▪ An increased rate of improvement across the organization.

Housekeeping



Safety

- Fire Alarm
- Exits



Outside Communication Locations

- Please put cell phones on vibrate
- Limit cell phone use to breaks only



Breaks & Lunch



Restrooms

IMPROVEMENT PLANNING AND THE ORGANIZATION'S IMPROVEMENT CYCLE

How Are You Currently Doing?

Assess the current state of your organization in the area of improvement planning

- Score each question (scale 1-6)
- By Sub-Element place dots, lowest scored question, on the radar chart

What is helping your progress in creating and executing improvement plans?

What is hurting?

See Appendix I:

Improvement
SAT 5.3
Annual
Improvement
Planning

HOW DO YOU FIND IMPROVEMENT OPPORTUNITIES?

- ➔ Are you working in the highest potential areas?
- ➔ Do you have to convince teams that improvement, methods and techniques can be beneficial (employees see improvement as extra work, not part of their daily work)?
- ➔ Do you find that results do not meet expectations?

What Do You Want To Learn About Improvement Planning And Execution?

HOW ARE IMPROVEMENT PLANS CASCADED?

- ➔ How does it fit with everything else?
- ➔ Who owns the improvement plans?
- ➔ How often do we follow through, assess progress, resolve barriers?
- ➔ Are employees involved in the needed improvements and their successful installation into the culture?

IMPORTANT, YET NOT EASY...

*How can an organization utilize its most precious resource, it's people, without **FOCUS**?*

- 15% of workers could actually identify their organization's top three goals
- 22% of workers are enthusiastic about the goals they set with their work teams
- 48% of workers say the goals of their work team are translated into their individual work goals
- 38% of workers say their work team planning results in clear assignments for individuals
- 38% of workers say that their work team systems and processes are aligned to help the team achieve its goals

FranklinCovey and Harris Interactive poll of over 10, 000 U.S. workers

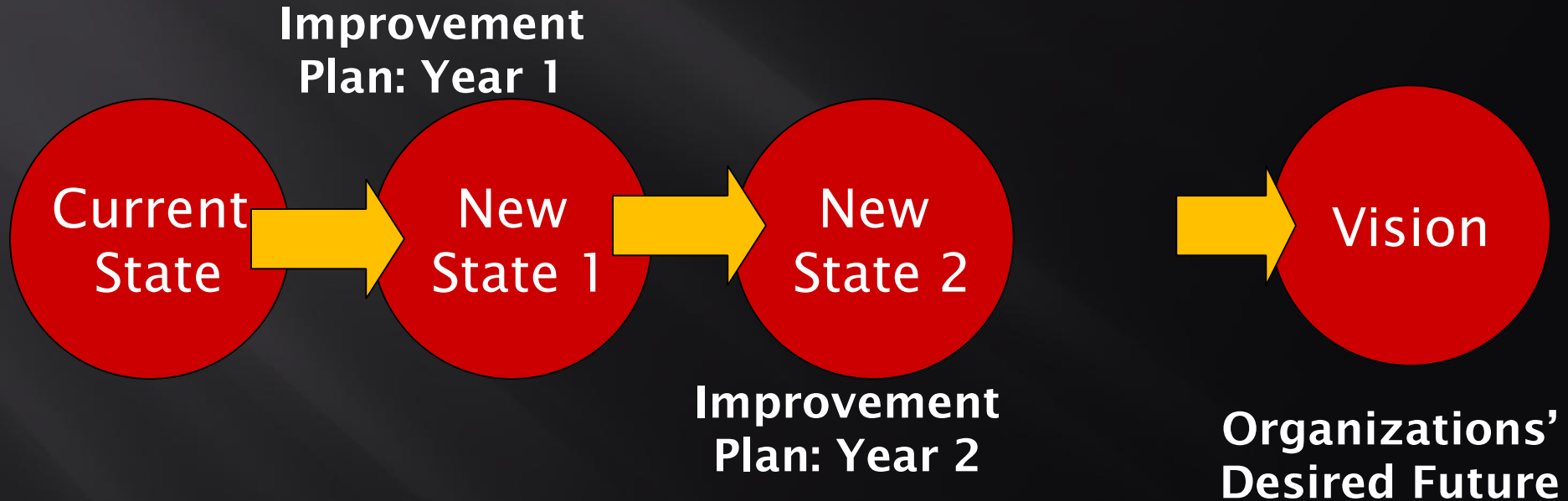
“Improvement Planning”: What Is It?

“The (Leadership’s) **process** of thinking about and organizing the activities required to achieve a desired goal.”

“The planning process (1) identifies the **goals** or objectives to be achieved, (2) formulates **strategies** to achieve them, (3) arranges or creates the **means required**, and (4) **implements, directs, and monitors** all steps in their proper sequence.”

From the Business Dictionary

How The Improvement Planning Process Fits: Helping You Move Along A Path To Your Vision



“Toyota Kata”, M Rother

There Are Different Approaches to Planning

Management By Objectives (MBO)

(Joint identification of common goals, definition of individual's responsibility in terms of results expected, and use as guides for success and assessing the contribution of individuals)

Management By Control (MBC)

(Management compares performance to standards and takes any remedial action required)

Discovery Driven Planning

Planning in uncertainty;
Cycles of learning and releasing resources as you go

Hoshin Planning (Hoshin Kanri)

What We Will Use:

Hoshin Kanri

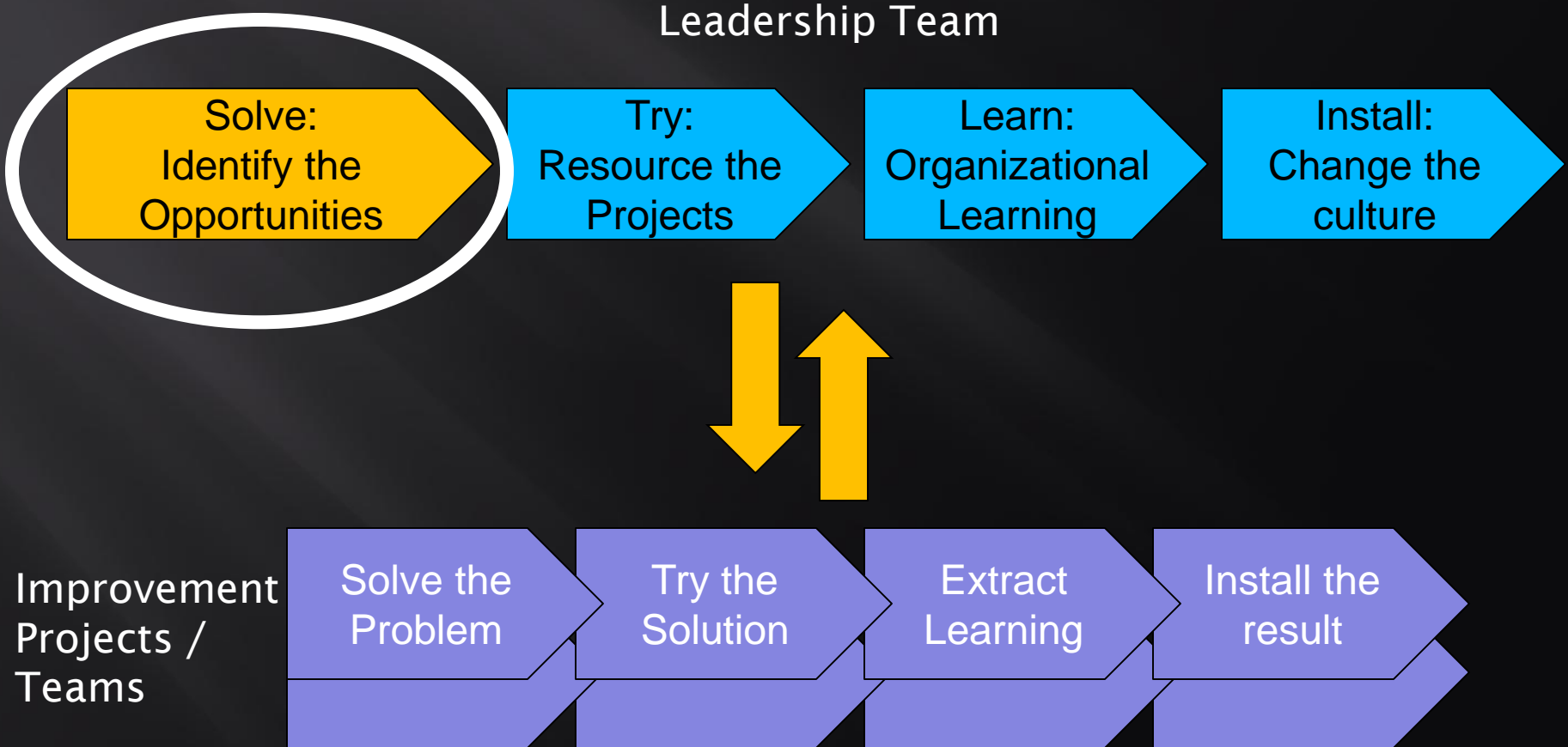


Bright
Needle/Direction
+Management

- Methodology popularized in Japan in the late 1950s
- Designed to use the collective thinking power of all employees; “top down and bottom up”
- **Aligns objectives AND the supporting strategies and tactics for pursuing the goals**
- Systematically develops and links plans from organizational vision to operational tactics; from leadership to individual contributors
- **Focuses on the process of improvement (PDSA) to achieve results rather than simply setting objectives**
- Continual learning; Results and status broadly and visually communicated

Hoshin Kanri Can Be Described As Interlocked Improvement Cycles

--data and information based problem solving



How Are Goals Interlocked?

OUTCOME: TO DECREASE COST OF SERVICES

DRIVER 1: BY IMPROVING INVENTORY
MANAGEMENT



OUTCOME: TO IMPROVE INVENTORY
MANAGEMENT

DRIVERS : BY... *This is the role of the project team...*

Deming's View

- Leadership's lack of **understanding of systems** commonly results in the misapplication of objectives. Additionally, Deming stated that setting production targets will encourage workers to **meet those targets through whatever means necessary, which usually results in poor quality.**
- One of Deming's key principles (Point 7) encourages managers to abandon objectives in favor of leadership because he **felt that a leader with an understanding of systems was more likely to guide workers to an appropriate solution** than the incentive of an objective.

What Improvement Planning Is

Not...

- Does not do your strategic planning...this is an input
- Does not “tell” your organization what to do...leadership team makes decisions and sets priorities based on the **data and analysis**
- Is not simply “planning”...this is a process that follows the improvement cycle and requires leadership follow through in trying, learning and installing the improvements in the culture
- Improvement planning is not a “standalone” or separate activity... when well done it is integrated into the daily activities of all organization members

Why Is Improvement Planning And Execution Important?

- **Improves the rate of improvement and the efficiency in which you get there**
 - Addresses team structure, education, goal/target cascading, data evaluation and prioritization techniques, and change management into a comprehensive and logical sequence of events
 - Clarifies deliverables
 - Involves the team; communicates to them
 - Speeds learning & application
 - *Achieves more results, faster*
- **Benchmarks acknowledge the importance of structured approach**

Improvement Planning And Execution Touches All The Elements Of High Performance...

Powered by **People**

- Supported by a special type of **Leadership**
- Superbly **Focused** on their purpose
- Using **Learning** to create results
- **Implement** well, installing the new way and continually improving
- Applying improvement **Methods** to empower the individual and effectively solve problems

Give me six hours
to chop down a
tree and I will
spend the first
four sharpening
the axe.

-- Abraham
Lincoln

“Every battle is
won before it’s
ever fought.”

— Sun Tzu

Improvement Planning Process ("Solve")

INPUT

What starts: New planning year
Who starts: Organization Leader
Who receives: Improvement Leader

Prepare

Create

Cascade

Confirm

OUTPUT

Who is Customer: Organization team members, Recipients of services
Customer Expectations: Year on year improvement
What is Output: Prioritized, confirmed, resourced improvement projects
How Much is Supplied: 1 Improvement Plan, 3-8 Project team plans;
Communication Strategies; Education Strategies

Who Is Involved?

Prepare

Organ.
Leader

Improve-
ment
Leader

Create

Organ.
Leader

Leadership
Team

Improve-
ment
Leader

Cascade

Project
Teams
(Leaders,
Members)

SME

Stake-
holders

Individual
Team
Members

Confirm

Leadership
Team

Leading the Improvement

Project Teams
(Leaders,
Members)

SME

Stakeholders

Individual Team
Members

Organ. Leader

Leadership Team

Improvement
Leader

Improvement Plan is simply... Outcomes & Drivers derived from analyzing data sources



1. What is an **Outcome**?

- Desired results from completed improvements
- What, How Measured, Target
- *From data: Customer & Organization/Financial*

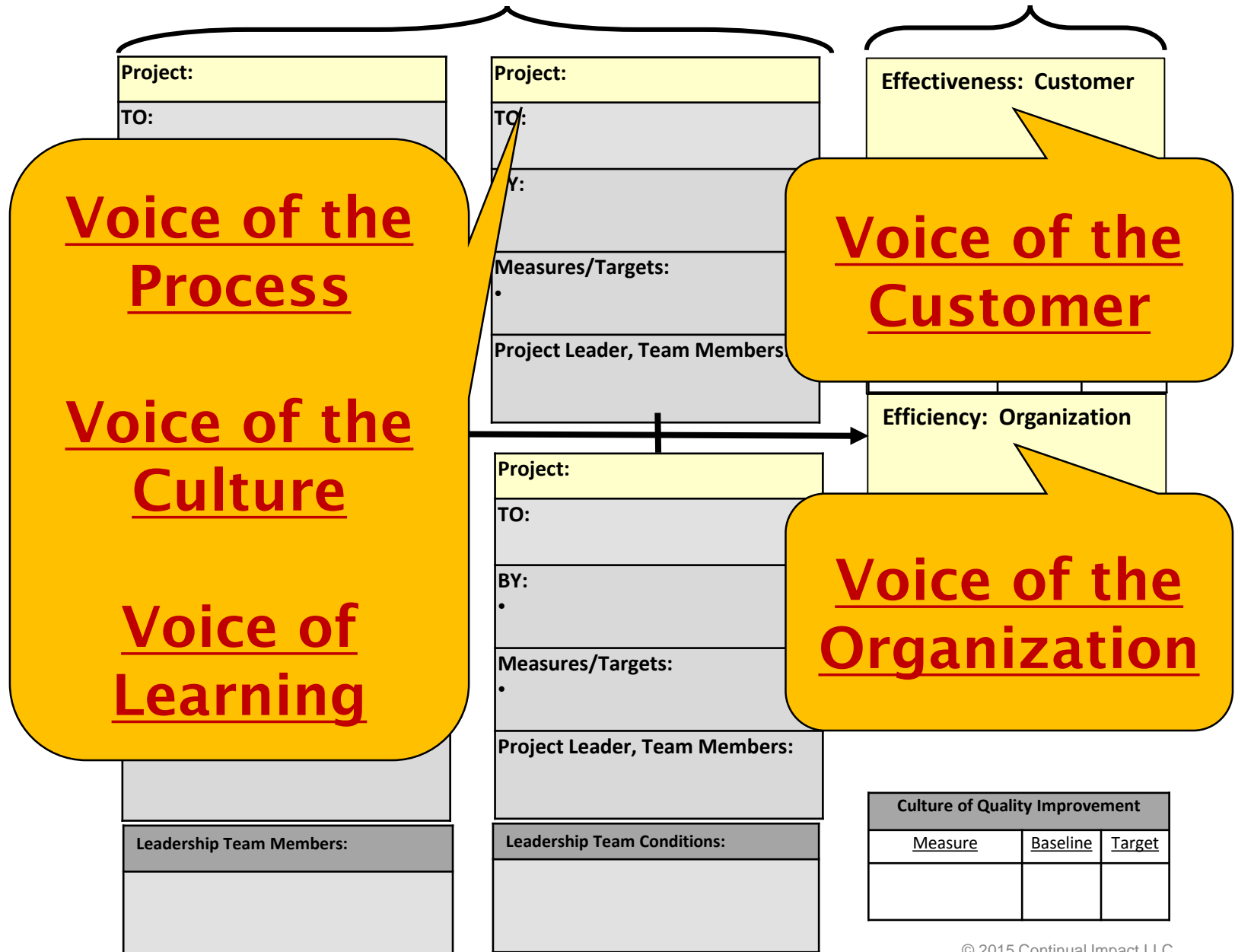
2. What is a **Driver**?

- Defined projects focused on producing outcomes
- *From data: Process, Culture, & Learning*

IMPROVEMENT PLAN

DRIVERS

OUTCOMES



This is the Creating Improvement Focus Session Introduction, for additional details, please contact us.



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And coming soon www.continualimpact.com