Achieve performance targets using Lean process improvement

5 steps to achieve reliable and consistent delivery of process performance

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Not meeting performance targets. Thrown more money into fixing the performance problem and still not achieving your target? Why are targets still not being met even after you have put more resources in? What does it take to consistently meet targets?

You need a good process. You need a standardised process. You need a Lean process that has a fast workflow, effective communication and trained staff.

There are five key steps to follow to achieve reliable and consistent delivery of process performance.

Step 1: **Confirm your baseline performance.**

A fundamental starting point is knowing your current baseline of performance. How are you tracking right now against your three or four Key Performance Indicators?

If you don't know, there is a problem straight away. If you don't have performance measures that can inform you as to how well your business process is performing, then you need to create them.

You will need to create the measurement systems that will inform you where the gap is. Once we know where the gap is, we can work on improvement and measure again to see if the changes we made delivered the improvements expected (or otherwise).

This is the "Model for Improvement" that all organisations should follow to drive continuous improvement.

Step 2: **Map process in detail so we understand what actually happens, not what is supposed to**

   happen.

Everything we do is part of a process. In any workplace, there are several activities that do not add value. Mapping the process allows these non-value adding activities to be easily identified.

Value Stream Mapping is a highly engaging business improvement method. Staff doing the work are the "Process Experts".

Value Stream Mapping involves Process Experts documenting the way the process currently works. Enlisting staff support to map and improve the current process is a key component to effective change management.

Staff are trained and empowered to see process waste and they are engaged to identify opportunities to improve the process by identifying and removing non value adding time and costs, minimising staff frustration and leading to better outcomes for the client/customer, workforce and organisation.

Value Stream Mapping is also a highly effective business improvement tool used globally to chart the flows of information, processes and physical goods. It exposes sources of process wasted time and effort in order to eliminate or minimise it. It is most frequently performed using a paper-and-sticky notes representation of every Value Add and Non-Value Add process step in the material and information flow of the end-to-end process.

We use Value Stream Mapping as an improvement tool by working with staff and customers to improve quality and make work easier to perform. Mapping the current state process allows for issues to be identified, opportunities for improvement to be discovered, and a methodology to design an improved future state process that is value adding.

Mapping a process is just a technique. What is important is implementing a value adding flow process that has minimal: delays, waiting, double handling, re-work, errors and unnecessary hand-offs.

By mapping the Value Stream diagrammatically, it provides the user with:

- a visual flow of information and materials
- a better understanding of the linkages or lack of linkages between material and information flow
- an improved process that has less nonvalue adding activity
- a process where the value of each process step is defined by the customer so if the customer does not see value in the step, then you learn to question why you are doing it
- an opportunity to see the waste in a process (often for the first time) and where to apply process improvement techniques
- engagement of staff involved in the process to be part of the improvement and changes which will save time, frustration, effort and resources
- freed up time and effort to re-invest back into more value adding activity elsewhere
- a common language for staff and the wider organisation
- information for management to make decisions about the causes of time delays and wasted effort eg: bottlenecks and rework
- an opportunity to empower staff and management to link information flow with material process flow
- a basis for an implementation plan

Value Stream Mapping initially involves mapping the Current State "As is" process with the staff directly involved in the process, and how it actually works rather than the way it should work.

The key to creating an excellent current state Value Stream Map is to document and collect data on what you actually see with your own eyes rather than how the process is supposed to work or was designed to work.

For each key process step, the value and nonvalue added activity, role, technology, doing time, waiting time and elapsed times are identified. We use symbols to show the flow of information and materials.

Step 3: Identify where there is unnecessary wasted time and effort (identifies opportunities to improve)

Train staff to understand Lean Thinking principles and the eight forms of activity causing multiple handling, delays, rework and errors. Once staff learn to see where waste exits, it becomes easy to identify where improvements need to be made.

Once the Current State Map is validated and staff learn what to look for in the process map, they become actively engaged in looking to identify activity wasting time and effort through delays, rework, double handling, over processing, errors, chasing information, waiting, excessive motion and transport plus many other structural issues causing excessive lead time and poor productivity.

Figure 1 - All current steps are mapped. There are too many steps, too many people involved, too much waiting, too much rework and chasing information

Step 4: Problem solve. Solve process problems so they do not happen again

Staff that trained in Lean Thinking principles and how to see various forms of wasted time and effort are also capable of identifying and solving process problems in the Value Stream Map.

Performing problem solving and root cause analysis identifies probable solutions and interventions to reduce or eliminate re-occurrence of the original process problem. We want to implement changes that will ensure we do not experience the same problem again.

Ideas for improvement are brainstormed with staff using several idea generating techniques. A Register of improvement opportunities are assessed for ease of implementation, cost, business impact, strategic effort and behaviour change resistance.

All improvement opportunities are reviewed by management and each approved improvement progresses to the design stage of an improved process or as we call it the "Future State" Value Stream Map.

Step 5: Future State Map. An improved, faster and efficient workflow

A Future State map is developed together with the staff that aims to improve the flow of information and materials, reduce as far as practicable over processing, duplicate handling and other forms of process waste.
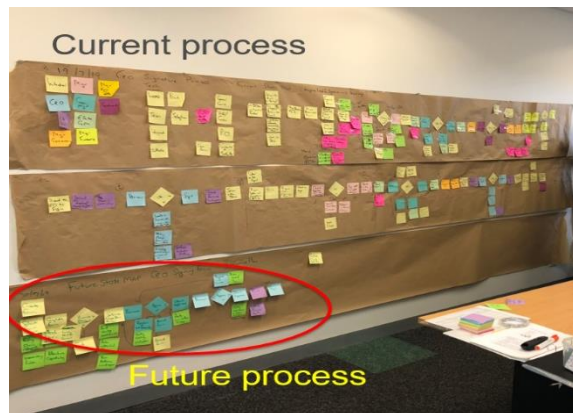
A Future State map is then drawn as to how the process should work. Staff involved in the process and other key stakeholders will examine where the new process may fail. A Failure Mode Effect and Analysis tool is used to identify where further improvements can be built into the new model before it is piloted.

The potential for any negative side effects and risks are examined and any further improvements are incorporated into the new model before full deployment and integration across the organisation. Value Stream Mapping designs an improved business process that achieves a faster and more reliable process that has less process waste, more released labour capacity and elapsed time which can be re-invested back into the business.

Value Stream Mapping seeks to answer the following questions:

- o   What process steps are not adding value?
- o   What are the root causes of sub optimal process performance?
- o   How can we improve the customer's experience?
- o   What is impeding the physical and information flow?

The Future State Map then becomes the foundation for the documentation of Standard Operating Procedures and training of staff in the new process.

Virtual Lean Thinking training and consulting is available during COVID-19 to upskill staff, create internal capabilities and make process improvements. On site face to face training and consulting is also available. Doing Business Better is Australia's most experienced Lean for Government consulting and training company. Contact Stephen Grech on email sgrech@doingbusinessbetter.com.au or telephone Stephen Grech on 0448403094 to discuss a Lean Thinking training and process review consulting services.

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