Continuous Improvement – From Incremental Changes to Monumental Leaps

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Agenda

- What is Continuous Improvement?
- History
- Industry Recognized Theories, Models & Tools
- How can Continuous Improvement be Applied?
- Continuous Improvement Life Cycle
- Incremental Change or Monumental Leap
- Continuous Improvement and You!
- Common Challenges
- Key Success Factors
- Final Thoughts
- Summary

DISCLAIMER



WARNING: Continuous Improvement is a topic with a breadth of information that cannot be fully covered in a 60 minute presentation. This discussion will focus on the potential to identify, influence and implement continuous improvement initiatives regardless of your experience level or role, and the importance of developing an effective and adaptive roadmap to achieving improvement goals. Contents of this presentation are under pressure. Shake well before using. Batteries not included, but lots of MSG and preservatives are. Avoid prolonged exposure to this presentation. Void where prohibited. Some assembly required. Use only as directed. Do not taunt happy-fun-ball. Do not take orally. Side effects are not common but may include itching, redness and occasional fainting. If conditions persist, consult your physician. No fur-bearing animals were harmed during the creation of this presentation. Not responsible for direct, indirect, incidental or consequential damages resulting from any defect, error or failure to perform. Do not attend this presentation while operating a vehicle or heavy equipment. First pull up, then pull down. Call toll free before digging. Driver does not carry cash. Use only in well-ventilated area. Keep away from fire or flame. Some of the trademarks mentioned in this product appear for identification purposes only. Limited time offer, call now to insure prompt delivery. You must be present to win. No passes accepted for this engagement. No purchase necessary. This presentation may contain peanuts, but we doubt it. Any resemblance between this presentation and others, good or bad, is purely coincidental. This presentation is meant for educational purposes only. The persons and events in this production are fictitious. No similarity to actual persons or predators, living or dead, is intended or should be inferred. Information presented in this presentation does not constitute legal advice. Reproduction strictly prohibited. Should you need legal advice, seek a legal adviser. Subject to change without notice.

What is Continuous Improvement?

Definitions...

- A quality philosophy that assumes further improvements are always possible and that processes should be continuously re-evaluated and improvements implemented ¹
- The seeking of small improvements in processes and products, with the objective of increasing quality and reducing waste²
- The belief that an organization must constantly measure the effectiveness of its processes and strive to meet more difficult objectives to satisfy customers
- O Continuous improvement is an ongoing effort to improve products, services or processes. These efforts can seek "incremental" improvement over time or "breakthrough" improvement all at once ⁴

¹ unknown

² http://dictionary.bnet.com/definition/continuous+improvement.html

³ http://www.toolingu.com/definition-900130-12156-continuous-improvement.html

⁴ http://www.asq.org/learn-about-quality/continuous-improvement/overview/overview.html

History of Continuous Improvement

- Following the defeat of Japan in World War II, America sent leading experts including Dr. W. Edwards Deming to encourage the nation to rebuild. Leveraging his experience in reducing waste in U.S. war manufacture, he offered his advice to struggling emerging industries.
- By the mid-1950s, he was a regular visitor to Japan. He taught Japanese businesses to concentrate their attention on processes rather than results; concentrate the efforts of everyone in the organization on continually improving imperfection at every stage of the process. By the 1970s many Japanese organizations had embraced Deming's advice. Most notable is Toyota which spawned several improvement practices including JIT and TQM.
- Western firms showed little interest until the late 1970s and early 1980s. By then the success of Japanese companies caused other firms to begin to reexamine their own approaches and Kaizen began to emerge in the U.S.
- Thought leaders included Edwards Deming, Walter Shewhart, Joseph M Juran, Kaoru Ishikawa, Genichi Taguchi

http://www.enotes.com/management-encyclopedia/continuous-improvement

Industry Recognized Theories, Models & Tools

Kaizen

o Refers to any improvement, one-time or continuous, large or small

TQM – Total Quality Management

- Organization management of quality, includes 14 principles
- O CI is one of two elements in TQM, the other is customer satisfaction

PDCA Cycle

o Edward Deming's Plan Do Check Act cycle

Lean Manufacturing

- Focuses on the elimination of waste or "muda"
- o Includes tools such as Value Stream Mapping, the Five S's, Kanban, Poka-Yoke
- JIT Just in Time Business, CI is a major principle and goal of JIT

Six Sigma

 Designed to improve processes and eliminate defects; includes the DMAIC and DMADV models inspired by PDCA

SMAIC Model

Select, Measure, Analyze, Improve, Control

Awards

Deming Prize, Baldridge Award

How can Continuous Improvement be Applied?

Organizational

Departmental

Inter Departmental

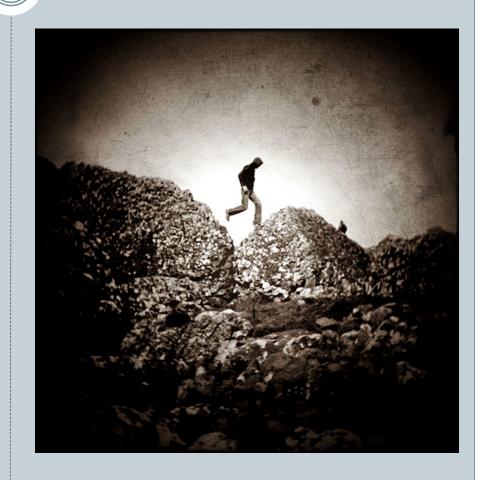
Project Team

Functional Team

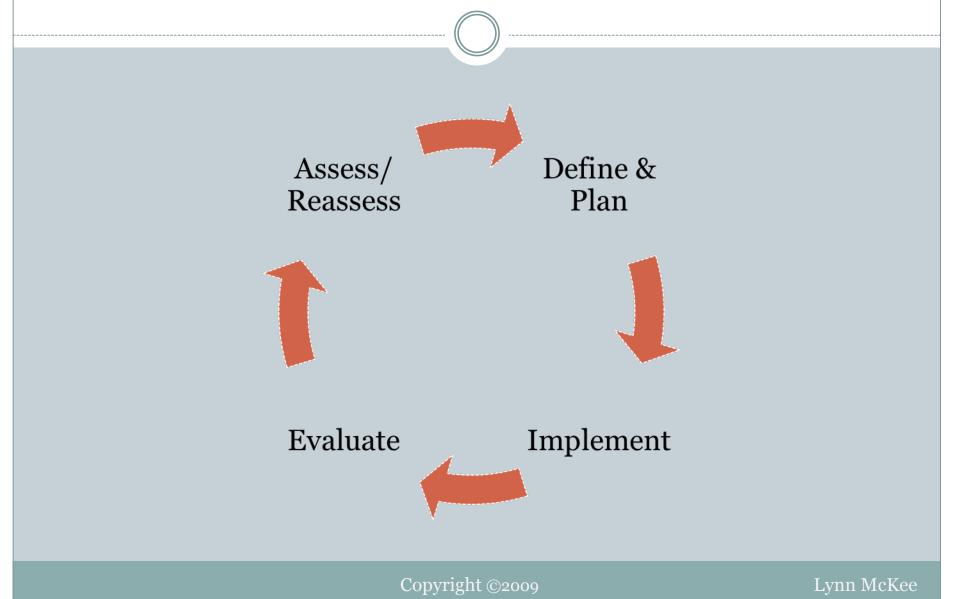
Individual

Incremental Change or Monumental Leap?

- Greater chances for success with incremental change
- Frequent retrospectives allow for adapting or redirecting
- Successful monumental change requires professional guidance and direction
- Regardless of the scale of the initiative, understand the dynamics of change
 - Adoption Process Knowledge, Persuasion, Decision, Implementation, Confirmation
 - Adopter Categories Innovators, Early Adopters, Early Majority, Late Majority, Laggards
- Keep in mind "small wins" generate momentum



Continuous Improvement Life Cycle



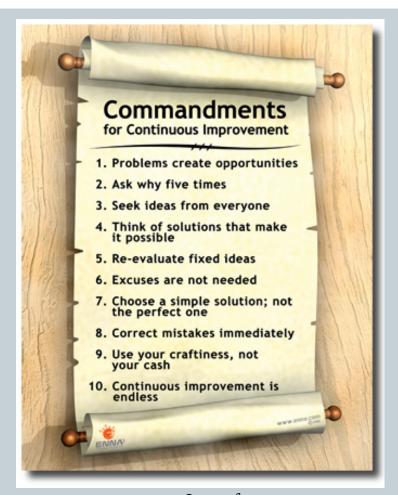
Assess

- Gather input on the areas of potential improvement
- Survey at all levels including customers, end users, employees, consultants, competition, etc
- Be sure to capture metrics on the as-is state
- Keep in mind Kaizen is founded in the concept of dissatisfaction with the status quo, no matter how good the current state is



Define and Plan

- Prioritize and keep it simple!
- Strive for pragmatic and incremental change
- Ensure there is clarity in the plan:
 - Scope, Strategy & Objectives
 - Timeline
 - Participants
 - Measurements
- Ensure the objectives are concrete and measurable
- Identify stakeholders and gain support for the initiative
- Gain support from the participants



- Image from www.enna.com

Implement

- Follow a rollout and communication plan to share the initiative's strategy, timeline, etc
- Engage the team
- Establish a communication forum to support open and constructive feedback
- Develop efficient process and tools for capturing metrics, avoid over engineering
- Ensure guidance and support is available



Evaluate

- Frequently evaluate against the initiative's goals and objectives, use the progress metrics as a compass
- Keep the measures few, meaningful, simplistic and quantifiable
- Incorporate qualitative and quantitative measures
- Engage the team in interpreting the metrics
- Create a baseline from the metrics



That which is measured... ... improves.

- Unknown

Re-assess

- Review the metrics and evaluate the progress against the objectives
- Does the initiative continue? Reduce scope? Change course? Halt?
- Be willing to adapt and scale
- Be prepared for industry or organizational change to further redirect the CI effort

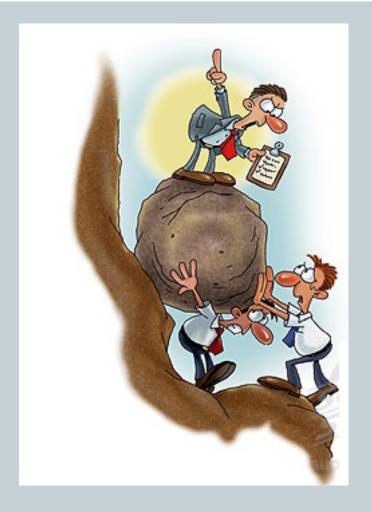


Continuous Improvement & You!

- Everyone has the ability to identify, influence and implement change...even if it starts with yourself!
- Identify the weaknesses or improvements you can see day to day in your role, project, functional team, department, or organization
- Share your perspective on improvement opportunities
- Challenge yourself to pursue new a level of excellence
- Actively participate in initiatives
- There is no such thing as "too small of a change" ...many small steps will achieve great strides

Challenges

- Unclear objectives or lack of strategy
- Scope larger than resources (availability, skill) or timeline can effectively achieve
- Lack of stakeholder support
- Poor participation, feedback
- Organizational or industry change
- Ineffective metrics
- Pragmatic initiatives expand and get out of control
- Attempting to resolve issues that don't exist



Key Success Factors

- Clarity, Clarity, Clarity...
- Align initiatives with organizational goals
- Empower participants
- Ensure value to the participants
- Effectively identify when the initiative is off track
- Scale or adapt initiatives to ensure success
- Celebrate successes and failures!



If you know where you want to go, you have a better chance of getting there.

-Anonymous

Final Thoughts...



Continuous Improvement is a Journey ...

...not a Destination

...Where will you begin?



Questions?



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