

Volume 11, Issue 36 □ **September 6, 2004**

Note: Items for your Calendar have been shifted to Page 3 to keep the 'Hot Items' on this Page.

HPM Forum # 5 – SEPT. 23rd**Cutting Administrative Waste
'Using Value Stream Mapping (VSM) to
Streamline Information Flows
& Cut Process Cycle Times****Delta Airport (Old 4-Points) @ 401/Dixie Road**

During the MeasureUP Conference in Toronto – one hugely attended session was made by the 'People from Antioch'. They impressed consortium members so much with their simplicity and effectiveness that the Manitoba Consortium had them come to Winnipeg to present their message. **Cascades** was there and took away some excellent messages they've put to use – some of which you will hear at the Sept. 23rd Forum. **Cascades is a huge mfr. of box board** – some of which you see around your bacon so colorfully in the morning, or at your campfire... not to mention 'Mike's Hard Lemonade' and a tonne of others. This Forum could be the catalyst for change as you and your team move into this fall's activities with all its uncertainties. Bring enough of your people that they will be able to support each other in making the changes harvested from this low cost but practical Practitioner-to-Practitioner Exchange.

Case Study 1: Accelerating the Planning Process Orenda Aerospace

The Orenda team shows how using Value Stream Mapping to streamline the "Generation of Planning & CNC Tape Packages" reduces waste in the typical routine processes every day. They'll discuss their business approach as they share with you their successes and challenges in dealing with 'bread and butter' initiatives like this one.

Case Study 2: Applying Value Stream Mapping in - World Vision

"If you can change the thinking the processes will look after themselves", according to Phil Kirby. If your thinking is to drive waste from the enterprise or organization, how you do it has no boundaries. As World Vision works tirelessly to transfer donations into results in far-off places, they, too, can use Lean thinking, whether the term is used or not.

Does it not seem logical that, as the size of a donation diminishes as it moves through the organization toward its needy recipient, Value Stream Mapping could identify where the waste is depleting the donation? Once found, one is free to apply whatever tool is needed to stem the outflow of waste. World Vision will describe how they are using Value Stream Mapping in a very different environment... while yet again proving that every organization's success is still predicated upon People – Processes – and, - Technology.

Case Study 3A: Streamlining 'New Account Setup' - Corporate Express

The Challenge: 20% of the New Account Setups required a week. The challenge for the team was to dramatically reduce the cycle time required to set up a New Account Setup

The Process: Since 'New Account Setup' involves multiple departments, it made sense to involve all in the VSM if the process was to be sustainable in future. The current state map made non-value added activities, such as inaccessible customer information – and the required paperwork – appear exceptionally cumbersome. The team developed strategies & a 20-day implementation plan.

Outcome: Reduced New Account Setup from 40hrs to 4hrs. a reduction of 1,000%

**Case Study 3B: Streamlining the Hiring Practice – Corporate Express**

The Challenge: 75% of the hiring took approximately 5 weeks to complete - the delay sometimes resulting in the loss of excellent candidates when they were quickly hired by other companies.

The Process: Those involved in the hiring process participated in the VSM including representatives from Human Resources, Operations, and Sales. Wastes that VSM quickly made visible to all were 1) no clear timelines of next steps following closure of open positions 2) two hiring processes (internal & external), and 3) multiple interviews of the candidate. The team will describe the process and how the future state process was mapped and implemented.

Outcome: Reduced hiring cycle time from 5 weeks to 3 weeks – a reduction of 40%

Case Study 4: Toward the Lean Office - Cascades Boxboard Group – Winnipeg

You will hear directly from the Controller of this excellent facility that has gained much - and has given much – to the EMCE Consortium in Winnipeg. They will focus on the

lessons learned from the Antioch Group as they build their Lean Office at Cascades... and more to come

Case Study 5: Why Using Value Stream Maps Means Business Results - Process Excellence, Canada Post

Steve Withers will pull all the 'strings of the day' together with his presentation which brought high ratings to him and to Canada Post at Jim Womack's **Lean Service Summit** in Amsterdam two months ago. His presentation will put the entire practice of Value Stream Mapping into a simple – yet effective perspective to wrap up the Forum.

This session shows the end result of repeated applications of Value Stream Mapping to achieve expressed business objectives. It matters not what the context or the business processes are. This powerful example was top rated in popularity at the Lean Service Summit held in Amsterdam two months ago. You will see many applications of value streams but, to set the trajectory for this forum, you will see how Value Stream Mapping is just a tool – but a tremendously powerful tool in any organization that must increase its competitiveness.

Register Now For This Forum

Registration: 8 am-4:30 pm... A full day. Includes, Lunch, Refreshments ~ \$175 HPM/AME Members - \$295 Non-Members + GST. Register with the HPM Office 519-893-6260 or by email at info@hpmconsortim.com or online at www.hpmconsortium.com

The 12 Steps of a Lean Office Event

Lean Office: Mapping your way to change, AME Target Magazine Vol 20 #4, p. 43

1. **Prepare.** Select the team, create the initial project scope & goals with the process owner, & coordinate the event
2. **Train the team.** A little training goes a long way to ensure a successful event
3. **Finalize the scope and goals.** Do this with team members during the event, setting boundaries and the tone for the next couple of days
4. **Document the high-level process** outline. This breaks down the process into usable sections for the interviewing process
5. **Interview team members** in the process. Gather details about the current state & capture action items and ideas.
6. **Create a current state map**
7. **Define the value-added activities.** Emphasize that only five to ten percent of activities will be value-added in many projects
8. **Develop the future state map**
9. **Review and assign** action items & assign responsibility
10. **Recap what transpired** during the event, celebrate, and close — time to send the team off to work on action items!

11. **Post-event activities:** Put all of the information documented through out the event into an electronic format and share it with the team, and make it accessible to others in the organization through the company intranet or other means
12. **Follow-up meetings:** Reconvene one to two months after the event and review the status of the planned changes. Up to four follow-up sessions are typically needed before the future state is fully implemented.

Insights from A Leader of Individual Companies... who is now a Facilitator of Many More

Bob Adams has managed plants in Woodstock, Ontario, and led **Knelson Concentrators** in Langley BC, as its president, into becoming a charter member of the first Consortium in BC. As President of **Alco Ventures**, he led another company who'd taken the plunge into 'Leveraged Learning Networks.' You may remember the **write-up which appeared in this Update about his approach to monthly Town Hall meetings as part of Alco's change strategy.**

With all his experience, and his belief in the true value of Consortia, he has chosen to build upon that experience by sharing it widely as a facilitator of new consortia. He is currently the **Managing Director of the Okanagan Lean Enterprise Consortium** and he joins us today. **Meet Bob...**

Who is your Customer?

Bob Adams, Director, Okanagan Lean Enterprise Consortium

"Lean is built on the principle of simplicity. The more simple the process, the more people you can include in improving it. Anyone who has been through a workshop on 5S, Value Stream Mapping, Cellular Manufacturing, Kanban or Quick Change, will tell you that this is not "Rocket Science". Why then, do 85% of companies trying to implement Lean, fail?

It is not a failure of the tools. I believe it is a failure of the management and employees to take a fundamentally different look at the way they work "internally".

Over the past century, North American manufacturers have progressed from supplying customers with what they think they wanted, to supplying customers with what they said they wanted, to helping customers determine what they really need to be successful and helping them get it. We have learned to communicate with our customers in a positive, progressive way, so that problems are anticipated and success is assured. Unfortunately, the same progress cannot be seen internally within our organizations.

Everyone within an organization has internal customers and suppliers. Stop reading this article for a moment, close your eyes and think; whom, in your organization, do you supply a product, information or a service to? When was the

last time you asked them, as your customer, if they were happy with you as a supplier? If they could outsource what you do for them, would they? Now think about the people who supply a product, information or a service to you. How often have you accepted something that wasn't what you wanted, was more than you wanted, had errors, was late and caused you extra work? Have you ever gone to that person, your supplier, to explain what you really need from them to be successful in your job?

The failure of management and employees to recognize these internal customer/supplier relationships, results in the building of invisible walls, between and within departments. These walls impede communication, interrupt product / information flow and destroy morale. The culture develops into one of a "hand grenade over the wall".

Imagine how effective your organization would be if you dealt with your internal customers with the same respect and concern for success, as you do your #1 external customer. Imagine how much more effective you could be in your job if you received exactly what you need, error free, when you need it, all the time.

Start today. Make some jaws drop. Identify **your** internal customers. Go to them, and ask them how you could make them more successful in their job. Record your customers agreed-to requirements and keep them updated through regular communication. This will also assist people filling in for you and enable them to be as reliable an internal supplier as you have become.

An organization that recognizes and develops internal customer/supplier relationships will be an organization of proactive, clear communicators, focused on success.

Important Dates to add to your – and your team's – calendar!

- ❑ **Sep 20-24th ISO 14001 Lead Auditor Training**, Holiday Inn Markham (Woodbine & Steele's across from Steelcase). Led by the same team of Tom Bechtel and Victor Cintron that put ISO 9000 into Willow Mfg. - through their people - in less than 90 days. Brochure at: www.brsltd.org To Register: call (905) 889-6800 or Tom Bechtel at email nextstep@pathcom.com.
- ❑ **Sep 23rd: HPM Practitioner-to-Practitioner Forum** will focus on "Value Stream Mapping in Non-Mfg/Office/Administrative processes." **Best Practice to be shared** by Corporate Express, Orenda Aerospace, World Vision, Canada Post and more. To reserve your space at the Delta Airport Hotel, Call HPM Office.
- ❑ **"Practice of Leadership & Coaching"** DEFERRED TO JANUARY START DATE
- ❑ **Oct 18-22: 2004 AME "20th Anniversary" International Lean Conference in Cincinnati.** "Focus on Global Enterprise Excellence" This

Got a Best Practice to Share? The MeasureUP for Success Lean Conference returns to Canada June 6-10th next year in Edmonton... Put your team on the program: <http://www.measureupforsuccess.com/>

will be held concurrently with the [Advanced Mfg & Productivity Exposition](http://www.ame.org) free to attendees: www.ame.org

- ❑ **Oct 27th NEXT LEAN ACCOUNTING STEP: Solving the Standard Costing Problem**
Host: Velcro Canada. The Lean way to think about costing. Ask Nicole at 519-893-6260 for an outline.
- ❑ **Oct 28th NEXT LEAN ACCOUNTING STEP: Strategic Performance Measurement for Lean Manufacturing** The course provides participants with a "Starter Set" of performance measures which includes a hierarchy of measures for the Lean cell, value stream, and plant that are linked to the goals of the Lean company. Ask Nicole at 519-893-6260 for an outline.
- ❑ **Oct 24-Nov 9th, Fact-Finding China Tour – Innovation Insights**, NRC & CME combine for a dramatic 'up-close and personal' look at the Chinese engine, infrastructure & opportunity. **Seats still open – This one is one of the best. For details email info@hpmconsortium.com.**
- ❑ **Nov 3rd 8:00 - 4:30 HPM Share Showcase '04.** **Location:** G.E. Meadowvale Theatre. Each HPM'er will present their 'Best Practice.' Limited to HPM Members.
- ❑ **Nov 18th HPM Forum #6: "Workplace Health, Safety & Wellness"** World Class performance demands a World Class environment. This will be a practitioner-to-practitioner exchange.
- ❑ **Dec 1st AME/HPM 8:00 to 5:00pm "Breaking the Safety Barrier: Implementing Culture Change"** Dr. Steven Simon. A 1-Day intense culture change workshop. Call AME: 905-681-3960.
- ❑ **Dec 6-7th The Lean Design Workshop Host:** Rockwell Automation – 2 intense days with one of North America's best Design & Project Mgmt leaders – **Ron Mascitelli**. His new book is included. For companies who need **more prod-ucts faster** by driving waste out of the process.
- ❑ **Dec 9th The Lean Accounting Roundtable – A frank exchange among implementers** that will help protect one's investment in Lean strategies.
- ❑ **Jun 6-10 (2005): "Implementing & Sustaining Lean Thinking Across the Enterprise"** An AME major Practical Lean Conference in Edmonton Canada. For innovative leaders **who want to use this 5-Day conference to inspire their enterprise leaders to spectacular results & reward them with the opportunity of being on this program!!** 32 Best Practices presented by companies such as yours. "Call for Presentations" is on the HPM website under "Resources" – This is a heads up for a 5-day conference for 'doers'.