

>> All right. Good afternoon and welcome to this week's review for Lean for Dummies. I'm Scott with the Governor's Office of Accountability & Performance and I will be your host today joined with Darrell Damron and Heidi and Carolyn in our office and it's great to have you on board. We anticipate finishing this April 29 and we partner with one of our private sector partners and we have Carlos Vegas and hopefully we have the bugs worked out since you joined us. -- which is published by productivity press. He's a certified lean consultant and has a master's degree and applied science. Carlos, are you with us?
>> Yes, I am.
>> Great. We look forward to hearing your thoughts as we get into this later so as we continue on just a few reminders we have made the materials available online if you go to our website under "lean" You can go to the resources and book review where you can find the link to all of these online and go through it yourself and you can click on the recorded webinar and you can review the answers to the quiz so we encourage you to take advantage of the website as you share this information with others in your work places. A few other reminders as well. To make this most valuable for you we encourage to you read the sessions beforehand. You will get the most out of them by doing that and also by making a list of questions and taking what you learned and explained it or sharing it with others. A lot of learning happens in that process as well and we encourage you to do that as well as participate every week. A few administrative items as well. We muted you all. Please stay on mute to reduce the background noise except are if you Carlos and if you have a question please use the chat. If you go up to the top you should have a

drop down box to click "chat" and we invite you to submit that to everyone and not me privately so everyone can benefit and think about your questions before the answers are shared so I encourage you to do that and then also if you have not yet entered your information into the poll please type in the city where you are right now and the number of people participating in your location right now, and with that we're going to get on to this week's review of chapter eight, charting the course using value stream maps so last week we spent talking about actually creating the value stream map. Now, is the fun part and getting in and doing something with that map, so we will look at them to identify waste and look at that to paint the picture for the future and this is a tool for continuous improvement and not just about this map but continuous improvement so we will touch on those areas throughout today's presentation so here we go. So once we have our value stream map in place our fingers are cut up from the sticky notes and marked up from the markers and writing on the wall it's time to analyze what we have written on the map and start looking for the waste in our process. If you recall we talked about the different types of waste in chapter two and as a review it could be a waste of transport, or waiting, the overproduction, defects in the thing you're producing, inventory, motion and then waste and extra processing so we're trying to go in and identify and find on the map where those types of waste exist. Some of the tools that we can use to help ourselves with that really start with the customer. This process is all about the customer and improving it for them and look at their complaints or what they're happy about. Actions they're doing or requesting. While their issues may not highlight all of the root cause problems it may give a clue to where the rule issues

3

are, so it's a great way to start with our customers and any of the feedback they're giving us or the points they're feeling. Another tool that we can use as a cause and effect diagram or a fish bone diagram. It's named after the one who made this and this is name the fish bone diagram because when we put it into place it looks like a fish bone. We will talk about this more in chapter 12 and as you identify the head of the fish the problem or the defect and graph out and simply identify any major categories that influence that outcome and in each of the categories you look for sub-categories that may impact it. This is getting us to clump and categorize some of the causes of the waste we maybe experiencing so it's a valuable tool. We will talk about it more in chapter 12 and then also we have the five Y's, this root cause analysis. I refer as getting in the mindset of a two, three year old. I have one right now and you know they like the "why" And why daddy? why daddy? And it goes on and on. There is nothing special about the number five. That is an arbitrary number chosen. It's to have that curiosity to ask why things are happening in the process and keep going until we find the root cause of the problem. There are a lot of other questions we can ask ourselves. Page 161 in the book has the questions listed out and for example we can look at each step and ask ourselves does it create value? Look at it does it create scraps or reflects? If it's performed the way it's originally designed or meeting that standard or not or even looking at the equipment to perform that step and if it's working. There maybe waste there. Highlighting or if people are waiting for their work so there are a lot of questions and things to do to identify the waste in this map that we identified and spent a lot of time working on. Another clue anytime you see the word "re" And likely a candidate and

4

means we're not doing it right the first time so those are a few of the candidates. Another technique to analyze the value stream is look at it from different perspective or different lenses, a different point of view. The book mentions taking a look at the map from a lean principles point of view. Oftentimes we have a lean coach or one of the private sector coaches that help us step back and see the forest from the trees. It's easy to dive into the weeds and put all the details of every step of every step in the map and they can highlight some of the short term or long-term opportunities and looking at the forest through the trees. And we can look at it from a quality of lens and if it's done right the first time or if the process is capable of making it defect free. You might look at suppliers or ones down stream from you if there is a point where the quality degrades of the product. Questions around quality. Where is the poor quality roofing the customer? How do we control that quality? What are the greatest losses? And that can identify the waste and focus our efforts. We can look at this super a supply perspective or supply lens. This comes into thinking about the inventory and how it's being managed. We can ask questions and how is it being stored or managed or does the inventory become spoiled or irrelevant after a certain period of time? So those the questions we would ask taking the supply lens. A engineering lens is different and think about the production or maintenance and put on that happen or bring an engineer with you in the process and study the interface between the equipment and the people and the process itself so questions from that perspective maybe can this process be combined with something else? Or how do change overs occur more quickly or speed it up? More modifications to the equipment or flow of information or work

5

6

space, all of those aspects of the process may identify waste and the last point the book makes is taking an informational point of view, considering the information that is needed along each step along the way asking ourselves if the right people are getting the right information at the right time? If the information we're using is being used? We have seen where someone is passing a recording along and disregarded the next step in the process so looking at the information lens and if we're looking at this in the right way, and all of these are tools or ways to think looking at our value stream map to help us identify waste so with that Carlos maybe I can ask you from your perspective as you work with your clients what tools have you used or approaches have you taken help your clients to analyze their value stream maps?

>> well, one of the tools they use frequently is a waste list that I have compiled that has waste from a service or office perspective and you can actually get that on my website. It's a free download but with that said the book that you're using here, Lean for Dummies is quite good and it has a list of questions, and I went through those and I would say that using those questions would be a really great way to go through your process. I don't have the page number exactly because I am using a kindle but if you're using a kindle the location for the questions is 3996.

>> Yeah and in the book it's page 163.

>> Great thanks.

>> Well, thank you Carlos. I appreciate that. See the tool that Carlos mentions on the website and it's a great tool to really identify in your process where the waste is. He's got real specifics about identifying that in the office environment so I think it's a valuable tool Carlos. Thank you for mentioning that. Again this is to get look at the value stream map and look for opportunities

7

to identify waste. After we have done that the next step is creating and thinking about the ideal state, so put everything aside and make yourself ruler for the day, king or queen for the day of this process. If it hadn't been done this way for \$20 billion you could create this process a new what would it look like? This is where the process is in a perfect balance and every step produces without defects. This is our utopia process. Maybe hard to get to but it's important to think about what it may look like. Carlos, I will ask you, what do you consider the value of this ideal state when going through the process?

>> You know the book has a couple of points. It allows creativity and new unique solutions. It kind of expands how you look at your process and I agree with that. I think there's more though and you get people that own this process that actually do this process and together you create a shared vision and having that shared vision is just as important as having a vision, and this group of people agree not only on the vision but on how to get there, so you create -- it's an opportunity to create alignment in moving towards your new ideal state.

8

>> I appreciate that. I agree completely especially with the excitement that can be built in that buy in that the team gets as they really think about what this could be like. We have these same questions. Why would we spend legitimate business time doing this? But the book defines this direction that we are working toward. I know it's a quote that we focused on before Carlos about the direction and not the destination but the direction and it helps us get the alignment together as a working unit towards that goal. Even Toyota has true north for changes but it aligns people towards a common goal. Let's keep working until we get there. Thank you Carlos. I appreciate

it. We consider this ideal state in utopia which is hard but comes the more practical things and creating the next state -- next increment of performance improvement as we're on this journey so this is valuable to go back to the value stream map. And we identify any of the improvements that we see and they want to jump the gun and chomping at the bit and this is that chance where you mark up your map to identify the areas where you can improve. A lot of times they're referred to as bursts and focus the activities to see results and also recognizing that these need to be realistic doable steps, things that we can work on in the near term that will get us closer in the next increment, next phase of our map. Carlos, how have you seen this map used as a tool towards the incremental improvement?

>> Well, I think the first thing is probably pretty obvious to most and you basically said it. It creates a direction but another piece is that today's future state is tomorrow's current state so as you're moving towards your future state it becomes a current state and then it gives you the opportunity to create a new future state, and gives you kind of the impetus to move forward so in a way it's like having a healthy meal that actually tastes good because once you have had it eventually you get hungry and want to did it again and that's what I see in organizations that actually follow through with implementation plan moving towards their future state.

>> Yeah, I appreciate that. One of the points the book makes as well don't get bogged down when creating the future state. I think it's easy to get overwhelmed but picture the value stream and what it's going to look like after improvements that you make and Carlos may have to do this again. It's a continual process of improvement, so the book identifies in this step as you

9

consider these areas that you can have actual improvements and then redraw another map with the future state in mind, so after these improvements have been made what is this future map going to look like? So take into consideration all of the bursts and the things that are realistic within your time period and scope and draw out this next future state. This is an exciting time for team members as they go through this and write up and do a summary box like with the current map and you see the potential of reducing and the value that comes with this new future state and how different it is from the other. I was with Carlos the other day and he was talking about part of his motivation for doing these. I don't know Carlos to put you on the spot again and if you recall about the motivation for this and the excitement for you that comes from doing the future states and helping employees improving this.

10

>> I probably said it a lot of different ways over the days when you were there, but what really motivates me to keep coming back to this is seeing the transformation that individuals go through in the way that they do their work, and we come to work everyday and we kind of put our nose to the grind stone and go home and we don't realize the way that we do our work affects us as human beings and not just at work but at home as well and when I have been working with people who go through an event or stream effort or working on continuous improvement they learn how to take control, how to take charge of the way they do their work, and it gives them this huge sense of satisfaction for their work, and it's transformational and from my perspective it's addictive. I keep coming back and want to see that.

>> That's why you're a lean junkie, process improvement Carlos. It's exciting point for team members when they see how their day to day work is going

11

to improve and they can redirect their energy towards something else that is adding value instead of copying it for to one floor or another and back down and the waste and adds more value to the day today and thank you for that Carlos. As we continue to move on after we create the future state the book mentions the values of this process. Hopefully we got a sense of it over the last weeks and what have you seen as the difference between the two Carlos?

>> Coin dentally I had the same question yesterday with a client and the difference is huge. Now, before I was doing this kind of work I was a technical writer and helping people map their business processes and when I went into value stream mapping I was shocked how utterly useless the process flow diagrams are from a lean perspective. The huge difference is the value stream maps give you data about the process and that data allows you to make some intelligent decisions about what you're doing, what you want to do in the future and both in terms of what you want to keep going and what you want to stop doing so there is data on the map that you just don't see on process maps. Plus they tend to be more accurate because you have an entire team putting together the value stream map whereas typically it's a small group of people working themselves putting process flow diagram.

□>> Yeah, great. I think that highlights perfectly what is behind this and not as a tool but incorporating the lean thinking and the way we approach the people and bring them on board. We mentioned this earlier just the ideal state. Helps you think outside of the box and identify opportunities for improvement. Empowering employees involved -- I am involved in this and I do have a say. They also start with the customer in mind. We have to remember to bring it back to the customer, whoever is receiving

12

the product and again the context and the conditions of where you're at dictate the right level of detail. It's easy to get sucked down into the weeds. Your private sector partner or whoever is sponsoring your lean event may help you to pull back and get the right level of context. There is no set level. It's different from each process and organization to organization. It's important that you understand that as you look for these opportunities to improve and the last point here is this really is a foundational tool as part of a cycle and this mindset and philosophy of continuous improvement. Our near future state is going to be out dated and we have to keep working and improving in this process. Also the book mentions we create new value stream maps in order to document, focus, and guide our improvement efforts. This can seem like a big effort gathering people and having them step away from their work for a week sometimes but really need to remember the purpose and the goal of this is focusing in to identify those improvement efforts and then the last point let's make sure to do something with that. To take those improvement efforts from the future state and make sure that we have implementation, priorities and a plan. Sometimes it's referred as a newspaper but really creating clear plans and responsibilities of who is going to do what by when so all the effort isn't just lost. Oftentimes this is the hardest part. A week is hard and it can be draining but implementing the changes are important so they can come into effect. Carlos, what other tips do you have for us to use value stream mapping successfully?

>> I probably have too many for the time that we have left. You mentioned a couple. Don't try to do too much. There's going to be a higher likelihood of success if you get all the people in the room who are implementing the process -- or at least involved in creating

13

this new future vision, future state, but one important thing and I'm not sure I saw this in the book, and that is when you're doing this try to connect the value stream map you're doing to your agency's goals and strategy. I see this all the time. There is a huge disconnect between the events or the mapping events that people do and their strategy and goals. It's like as if they're two different things but when lean is used well it's used in service to achieve your goals and strategy so start from that standpoint.

>> Yeah. Great. Thanks Carlos. Spot on with all of these insights. We have a few minutes for questions. I will start with some of these we received and one is about developing the future future state and I think we talked about that and opening up the creativity and employees have an idea what they're working toward and an understanding this isn't the end so it's valuable to create that ideal state. Looks like we have another question. Is every step of the future state changed at one time or gradually? Carlos, what would you say to that?

>> You have an implementation plan. I'm not sure that was really clear so in a valid stream exercising you have three products. You have the current state, future state and the implementation plan. The implementation plan shows how to get to the current to the future state and it's like any good document and what needs to get done and by whom and when? And given we have limited resources you have to schedule it out so it can happen successfully.

>> Great. And Darrell also submitted an answer -- thank you. In the chat feature going into details about the value and how this works together with the timing of it so thank you for that Darrell. What other questions do you have out there about analyzing or getting into the future and ideal state and the implementation plan? We will give you the option to

14

submit via chat. We've got about two minutes left if anyone is out there with a burning question still. Okay. So we have a question that is -- what is capability of a step? I think you're referring specifically to one of the questions in the book as we're looking at -- taking a different lens or view -- yeah, on page 161. I believe the question is on 161, the fourth question says "is the step capable?" Any insights as to what that means, the steps capable.

15

>> Yes. Is the step doing what it's intended to do?

>> Great.

>> So I'm struggling to come up with an example on the fly here, but sometimes there are processes, steps, procedures where you have an intended outcome but because the system is changed or the design of the step or procedure was flawed it's not really giving you what you want or what your customer wants.

>> All right. Great. It looks like we have one other question on page 163 viewing things through the quality lens there is a question that says fall off rate so the question is "what is meant by a fall off rate? Darrell or Carlos do you have insight on that?"

>> I'm not sure what that is referring to.

>> Yeah. I don't know what that means.

>> Yeah. Okay. Well, I don't know -- [INAUDIBLE] for us. But the point is we look at those lenses from the quality perspective and unfortunately -- Oh wait I got the answer but we're out of time. That's the time we have today. Thank you for the questions and participation and reading in the future. We encourage you to take the quiz that was sent out to you and we will see you next week for the review of chapter nine and have a good week and thank you Carlos. We really appreciate it.

16

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