

Operational Excellence

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Lean Transformation Office

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Operational Excellence: Objectives

- **Awareness** of the benefits of applying multiple disciplines to initiatives
- **Understanding** the importance of diversity in thinking and application of tools/resources
- **Identification** of effective partnerships to propel an organization's initiatives and likelihood of success

START

Strengthen your Strategic
Partnerships

Operational Excellence: What IS It?



“Powerful organizations are made up of powerful people who understand the principles that govern successful contribution”
- Unknown

Operational Excellence: What Is It?



THE SHINGO PRIZE
for OPERATIONAL EXCELLENCE™

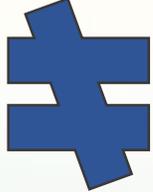


Operational Excellence – What Is It?



Your position may not give you the authority to decide...but your role gives you responsibility to get the decision made. ~*David Verble*

Operational Excellence: Why Does It Matter?

Good Projects  Guaranteed success

- Very few things in any organization can be predicted with a high certainty
- An organization where all three disciplines understand and commit to optimal engagement based behaviors will have an increased likelihood of achieving predictable results - operational excellence

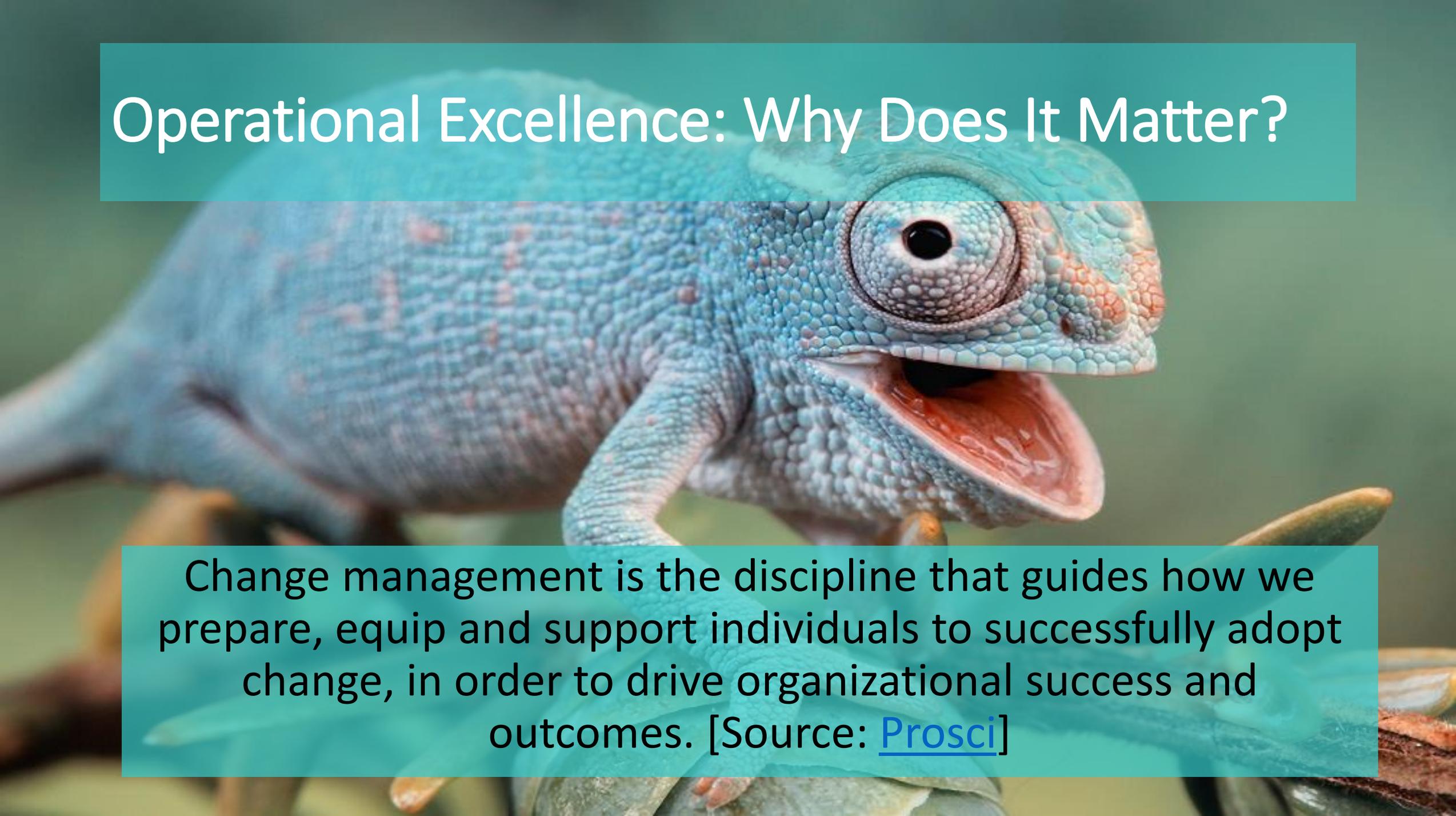
“Think systematically and create constancy of purpose..... align strategy and systems to achieve enterprise alignment” ~Shingo

Operational Excellence: Why Does It Matter?

Continuous Improvement principles are used to drive improvements in on-time delivery, quality, speed, cost and efficiency – so why would these principles not apply to good project management?

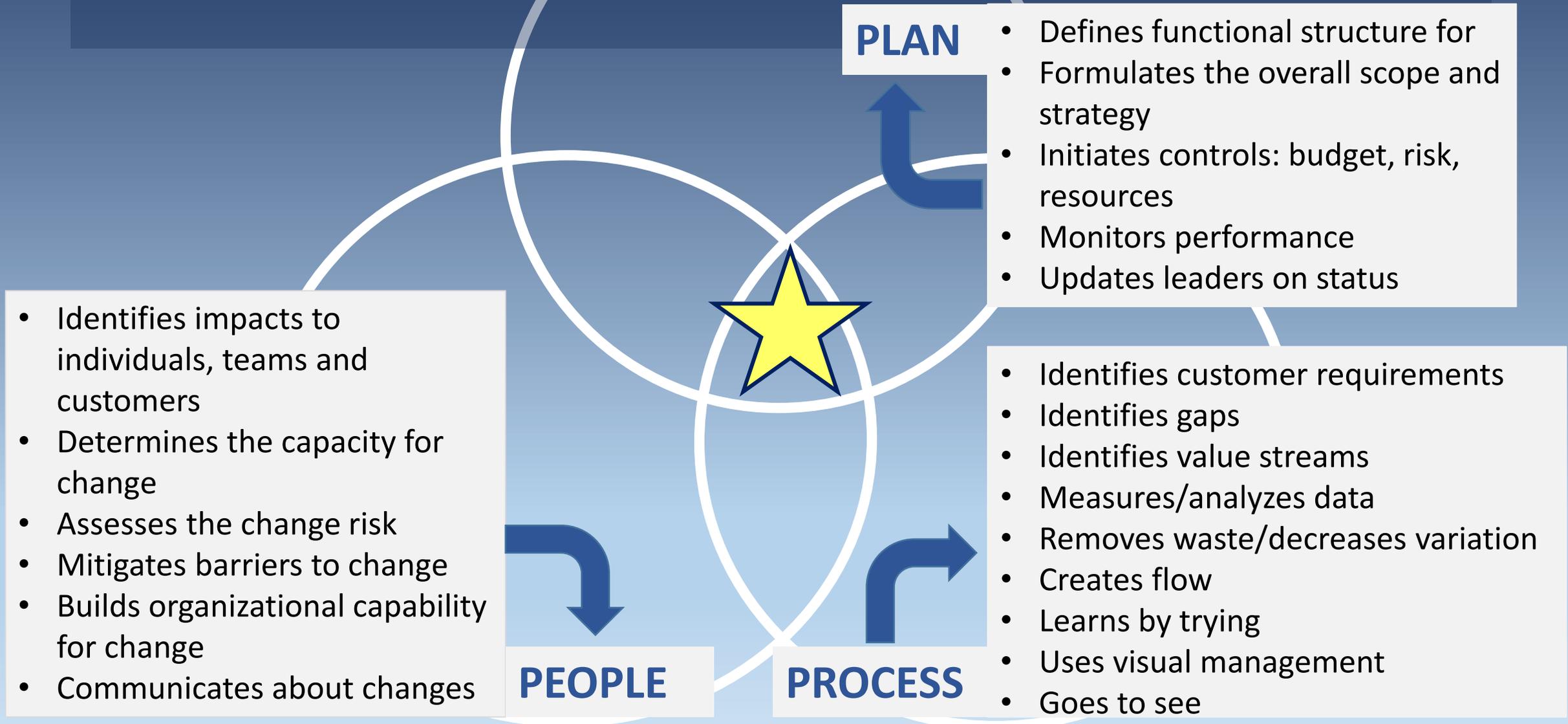


Operational Excellence: Why Does It Matter?

A close-up photograph of a blue chameleon with its mouth wide open, showing its pinkish-red tongue. The chameleon is perched on a branch, and its body is covered in small, bumpy scales. The background is a soft, out-of-focus green.

Change management is the discipline that guides how we prepare, equip and support individuals to successfully adopt change, in order to drive organizational success and outcomes. [Source: [Prosci](#)]

Operational Excellence: Why Does it Matter?



Operational Excellence: When It Doesn't Exist

- Lack of clear understanding how systems influence/impact one another
- A larger or concentrated focus on one element of people, process, plan, rather than each simultaneously, at the detriment of the others
- Complexity is underestimated or not well understood



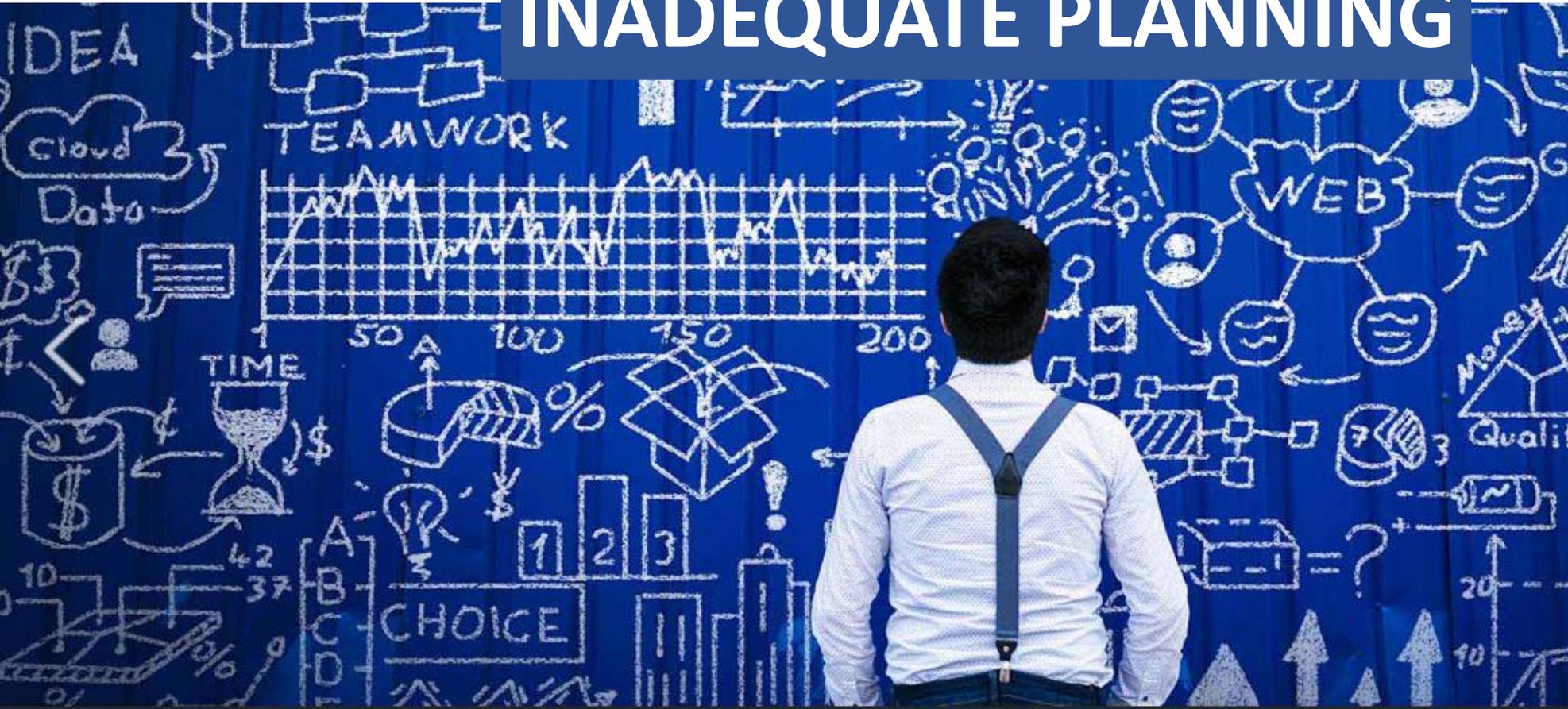
Operational Excellence: When It Doesn't Exist

A Project Management Institute (PMI) survey of professionals were asked to rate failure reasons, the most common being:

INADEQUATE PLANNING

“Don't ever implement without the understanding, preparation, commitment, measurement, and strategy involved in how to do it.”

~Jeffery Post



Operational Excellence: When it Doesn't Exist

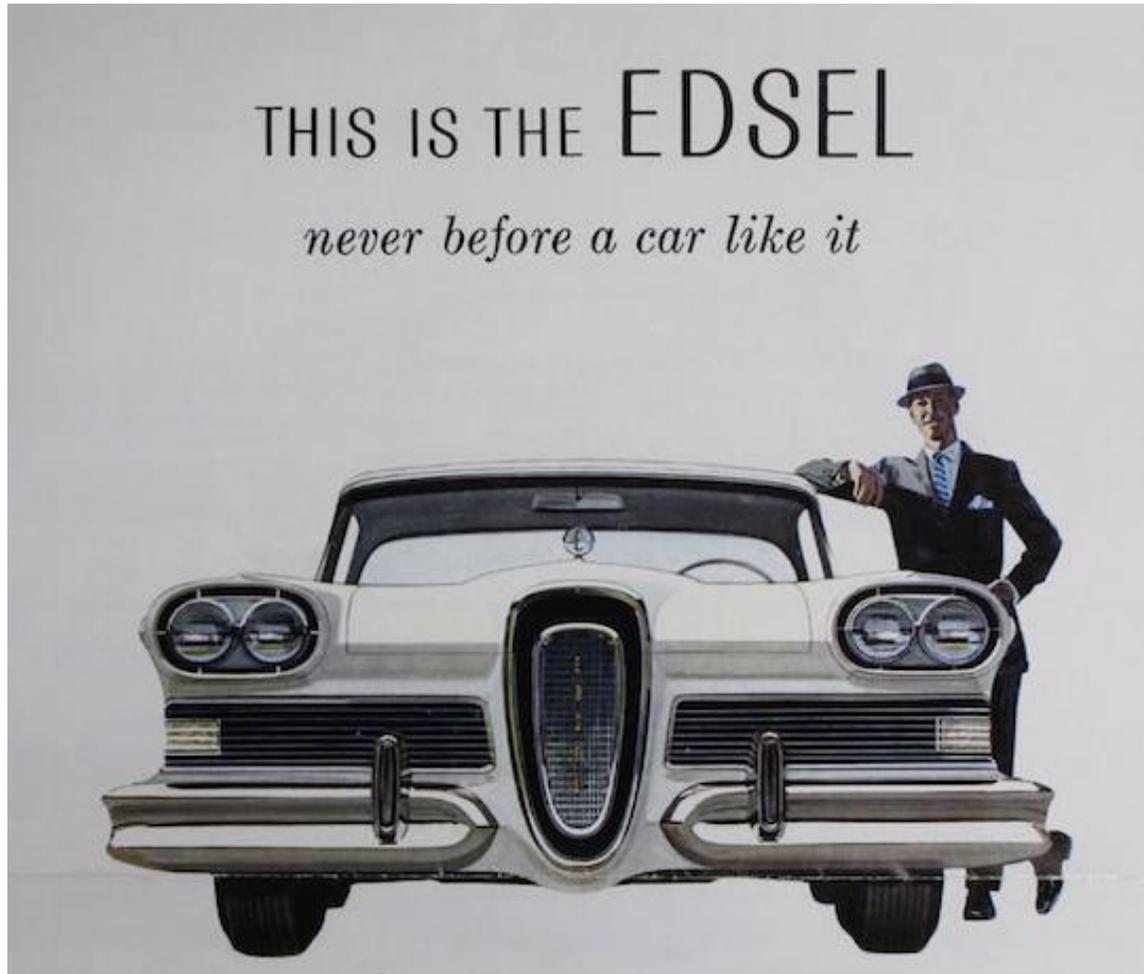
- When a person or program has too many competing priorities, commitments, etc.
- No 'right mix' of expertise needed for the job
- There is no synergistic approach; collaboration and explicit handoffs

“The approach of teamwork is the key difference between failure and success. Without teamwork, we will fail at optimal engagement. Teamwork allows you to achieve results you would never be able to achieve individually.” ~*Unknown*

Operational Excellence: Examples



The Ford Edsel

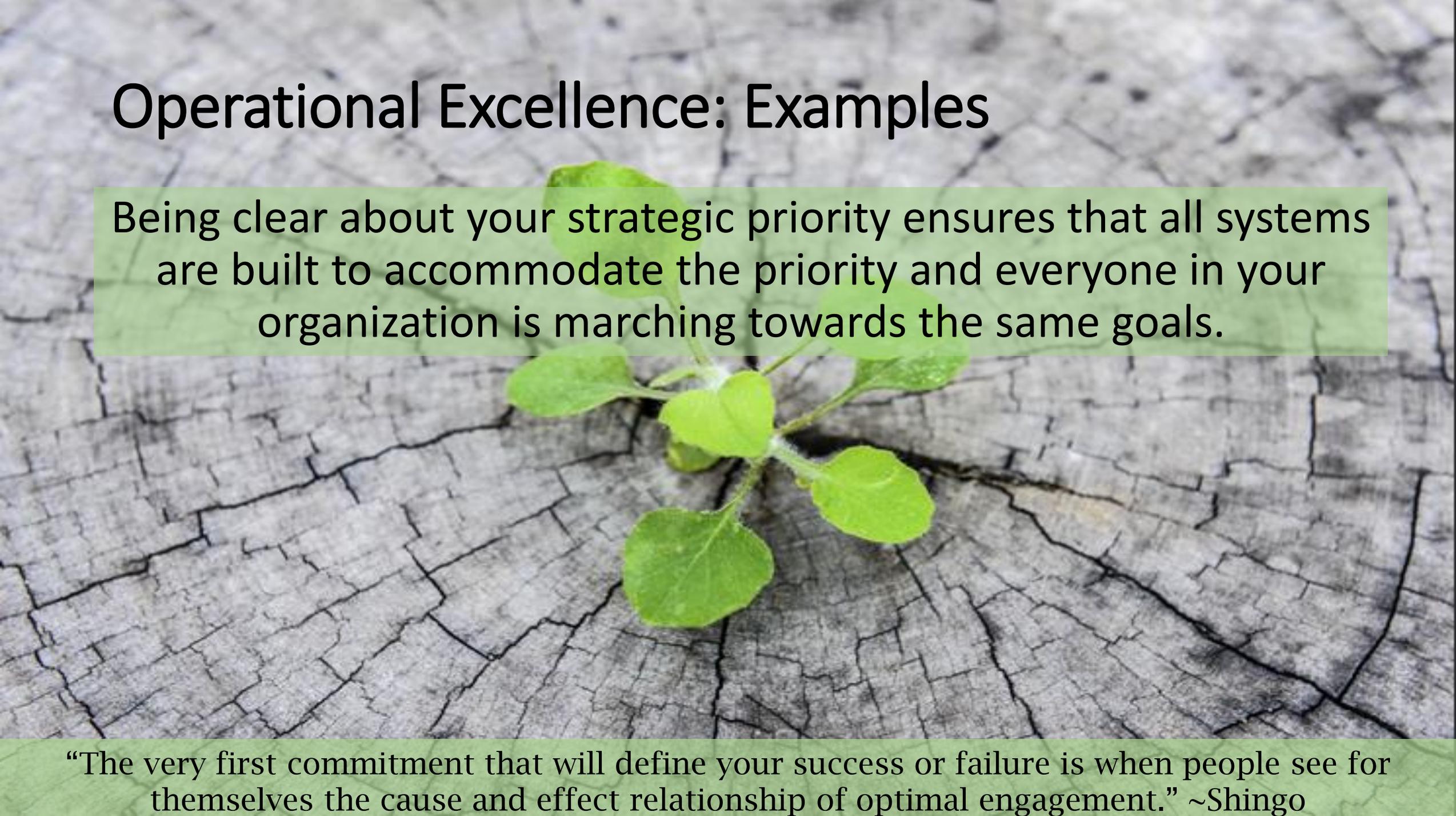


Contributing Factors:

- Lack of collaboration
- Out-of-touch project management
- Poor communication
- Lost velocity/relevance

"Get the right people. Then no matter what all else you might do wrong after that, the people will save you. That's what management is all about." ~ Tom DeMarco

Operational Excellence: Examples

A small, vibrant green seedling with several leaves is growing out of a deeply cracked and weathered wooden surface. The cracks in the wood are prominent and form a complex, web-like pattern. The seedling is positioned in the center of the frame, symbolizing growth and resilience in a challenging environment.

Being clear about your strategic priority ensures that all systems are built to accommodate the priority and everyone in your organization is marching towards the same goals.

“The very first commitment that will define your success or failure is when people see for themselves the cause and effect relationship of optimal engagement.” ~Shingo

Operational Excellence: When It Works

Leaders:

- Ask the right questions
- Make data-driven decisions
- Set clear vision/priorities
- Develop others
- Remove barriers

Continuous Improvement Managers:

- Review/test business measures
- Define key business processes
- Identifies value streams
- Eliminates gaps quality, cost, timeliness, safety
- Satisfy customer requirements
- Integrate control tools; support improvements

Operational Excellence: When It Works

Project Managers:

- Identify the right team, including crucial disciplines
- Provide framework (resource, budget, risks..)
- Integrate quality assurance
- Mitigate barriers
- Report on project status

Change Managers:

- Evaluate size of change
- Conduct readiness activities
- Help others' through change
- Focus on culture
- Improve information flow/communication
- Ensure training on changes meets needs of those impacted



Operational Excellence: Getting There

- Move to action
- Apply systems thinking approach
- Determine key elements
- Build and trust a team

"Unity is strength... when there is teamwork and collaboration, wonderful things can be achieved." ~ *Mattie Stepanek*

Operational Excellence: Move to Action



Think about the situation in which you are trying to bring about change:

- How could you step-up and lead to earn authority based on your responsibilities?
- How could you reach out and engage to get things done based on your responsibility?

Operational Excellence: Systems Thinking

- Process of understanding how systems influence one another in the larger system
- Group goal-setting, development, communication, reviews, incentives, accountability
- Focuses on what binds individuals and systems together, rather than functional siloed performance



Operational Excellence: Key Elements

Continuous Improvement Manager

Problem solver

Break down complex nuances

Mutual

Leadership
Credibility
Systems thinking

Change Manager

Effective communicator

Cultural awareness

What key elements are required to effectively impact outcomes?

Operational Excellence: Build and Trust a Team

It takes a village

An integrated
deployment and high
context culture
advances enterprise
systems with optimal
engagement



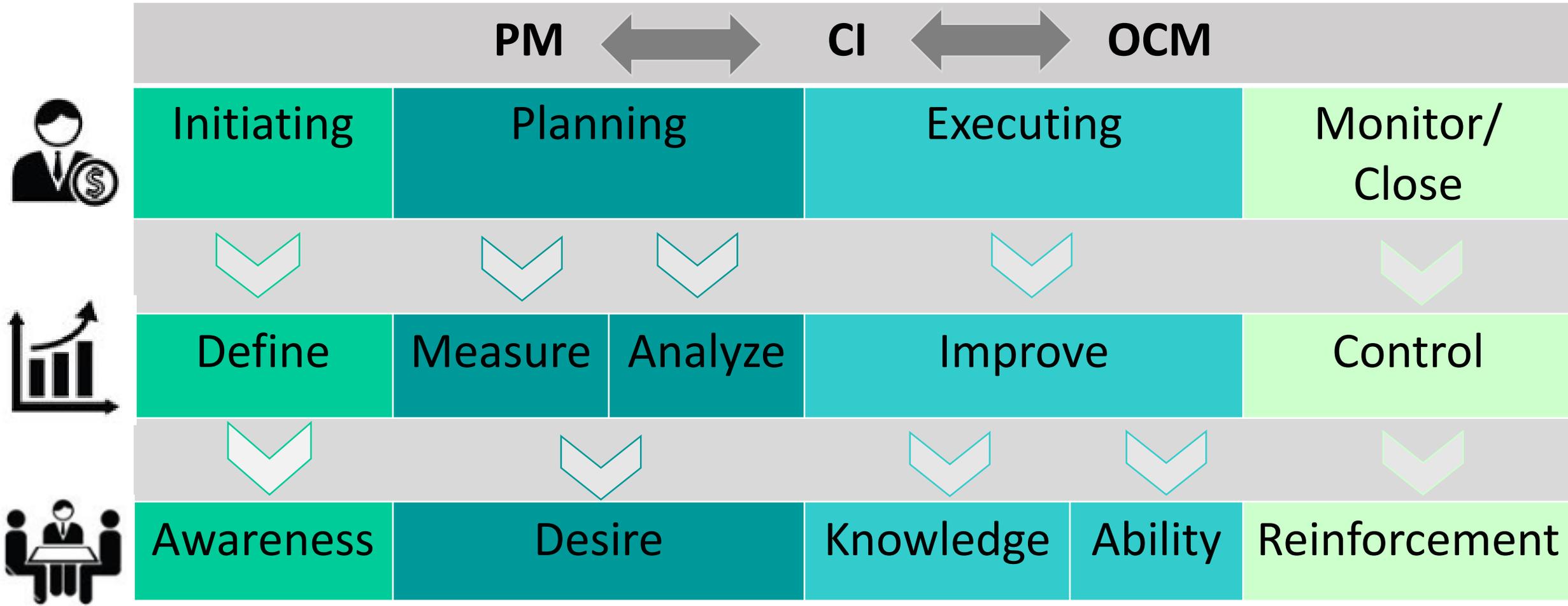
Operational Excellence: In Practice

- Establishing clear purpose; align efforts, roles and handoffs
- Experimenting and learning together
- Preserving the relationship for the future
- Communicating about the benefits of partnering, as they impacted results



Strategic partnerships can help reinforce and support the skills and abilities of a project manager and help effectually resource the project

Operational Excellence: In Practice



Operational Excellence: In Practice

Project Management

Initiation

- Charter

Planning

- Gantt chart

Execution

- Forecast, project/status tracking

Monitor

- Analysis
- ROI

Continuous Improvement

State the problem, identify goal/target

- A3

Collect data, baseline, analyze, root cause

- Data sampling
- Fishbone diagram

Test and implement solution

- Implementation plan
- Pilot

Sustain

- Standardized work

Change Management

Create a shared need

- Communication

Shape a vision

- Mobilize commitment

Resistance management

- Change capacity

Make change last

- Training

Shifts in Accountability

To earn the authority to act based on your responsibility, you don't have to convince that your idea of what to do is right. In fact, it's better if you don't try.

You can use the “leverage” of your responsibility as basis for reaching out to others with a stake in the situation, asking them to look and think with you until together you arrive at what you agree would make the most sense to do.

Questions?



Thank you!

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