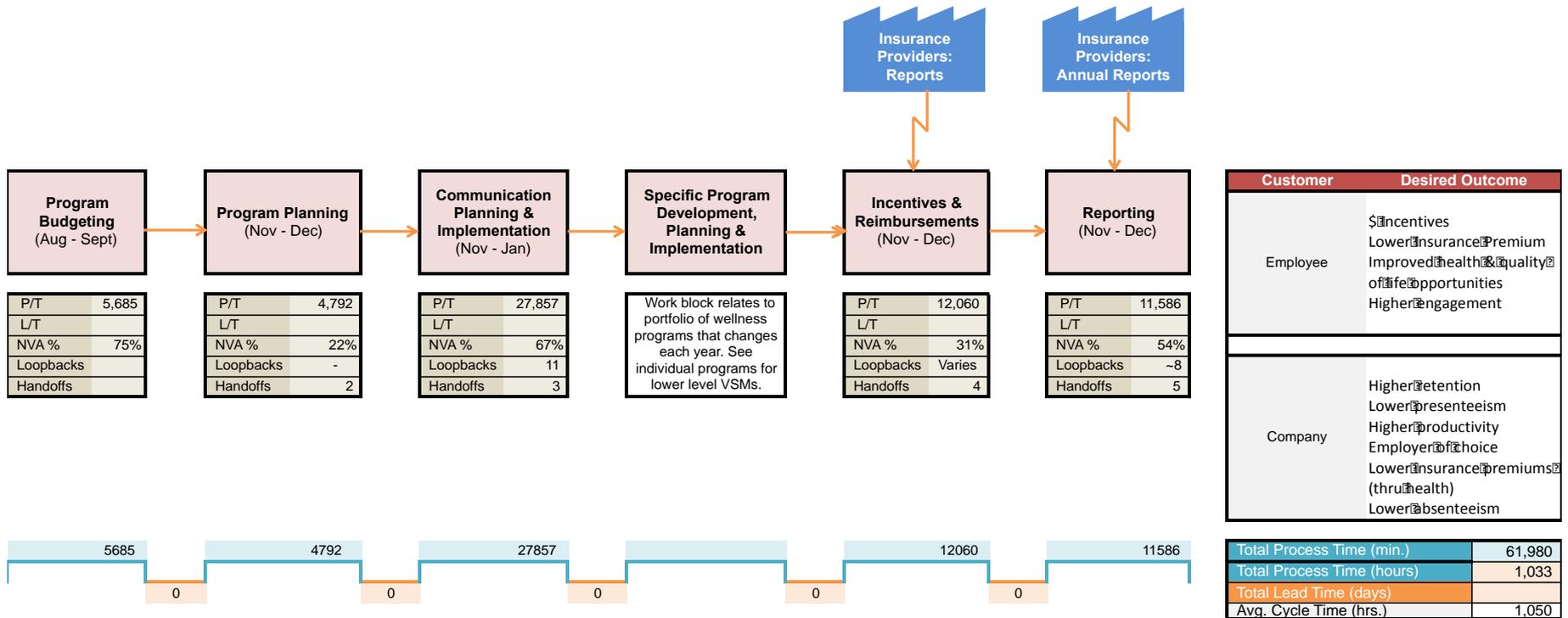


What's the purpose of a value stream map?

Value Stream Map: What is it?



Value Stream Map: What is it?

• Assess how well the process is performing

• Enables you to have eyes for flow and eyes for waste'

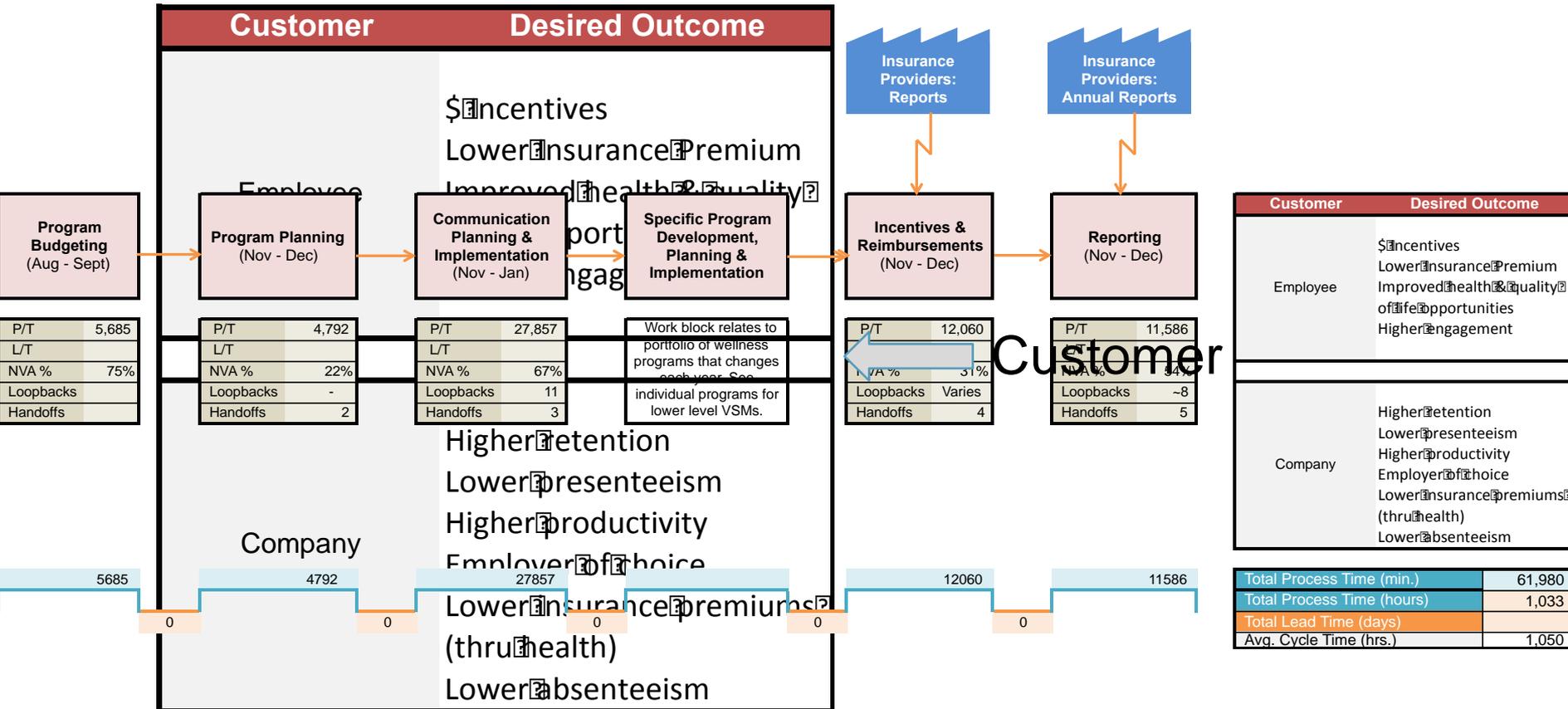
• Accuracy and not precision. Relevance and not exhaustiveness.

Standard Work Instruction		Key Points	Time	Visual References
Process Name: Approval of Alternate PDP Request Operator: Approver (recipient of State HR Director delegated authority) Operation Name: Review Alternate PDP Request				
1.	Review request from agency	Note timeframes the agency is concerned about. Review <u>Criteria for Formal Approval of Alternate PDPs</u> to determine if formal approval is needed. If not, reply with standard informal approval language.	2 min	Criteria for Formal Approval of PDP Alternate Change Does Not Require Formal Approval



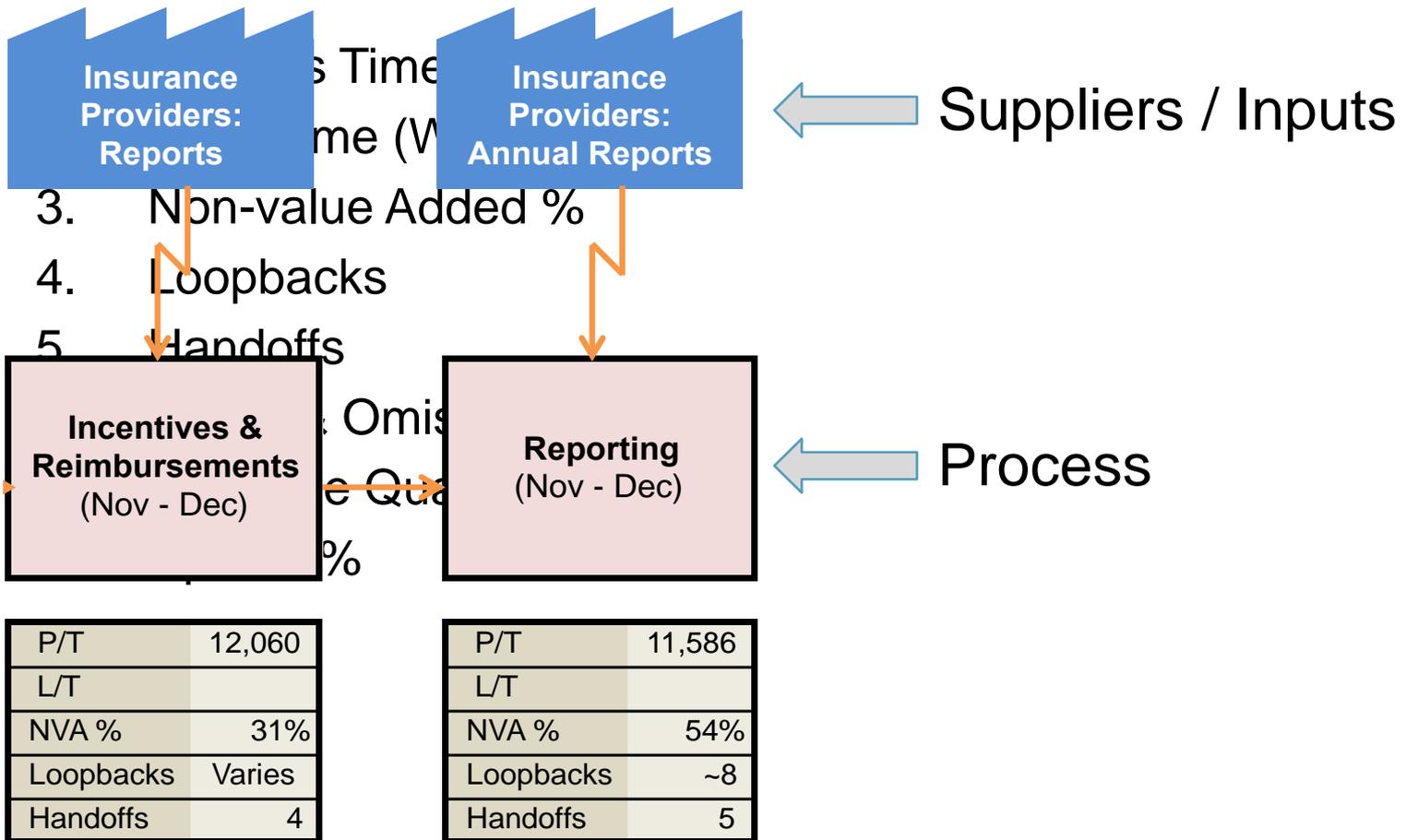
		under the new agency folder. Review the <u>Performance Management Rules</u> if necessary.		PERFORMANCE PLAN – EXPECTATIONS Position Linkage with Organizational Mission and Strategic Plan Intent of section: Create a line of sight between the employee's job and the organization's mission, goals, and objectives; show how an employee contributes and makes a difference. Modifications include: • <input type="checkbox"/> Select one: <input type="checkbox"/> The modifications change the intent or purpose of the section on the form. (Contact agency for information about the change and recommend further modifications to ensure intent is preserved. Insert notes about conversation here.) <input type="checkbox"/> The modifications do not change the intent or purpose of the section on the form, and add value for the agency.
6.	Contact requestor regarding specific questions or concerns that change the form's intent	Document questions and responses received in the Alternate PDP Review form.	10-30 min	
7.	Determine whether or not to approve the alternate PDP forms	Document rationale for decision in the Alternate PDP Review form. The goal is approval, so work with agencies until issues with the forms are resolved.	2 min	

Value Stream Map: Asking the first 'Why?'



Value Stream Map: Asking the first 'Why?'

Data Blocks: Process Performance Measures



When and how do I use the value stream map as a management tool?

VSM: A Management Tool

Five Situations:

1. Planning
2. Staffing Requirements
3. Fixed Asset Replacement
4. Visual Management
5. Performance Management

Situation 1: A Planning Tool

Annual planning or budgeting process

- Identifies resources
 - Open staff time so you can take on other projects or redeploy resources to other processes
- Cost Reduction
 - The VSM can be the roadmap for how to achieve that
 - As a manager, require VSMs as part of the planning package

Situation 2: Staffing Requirements Tool

Situation: An employee is leaving and you want to use the opportunity to evaluate whether you need to backfill with a full-time FTE. Or, a new position requisition is submitted and you want a justification that is more evidence-based.

Approach: Utilizing a combination of a pareto analysis, VSMS and standard work, you can fairly quickly estimate the extent to which you want to backfill.

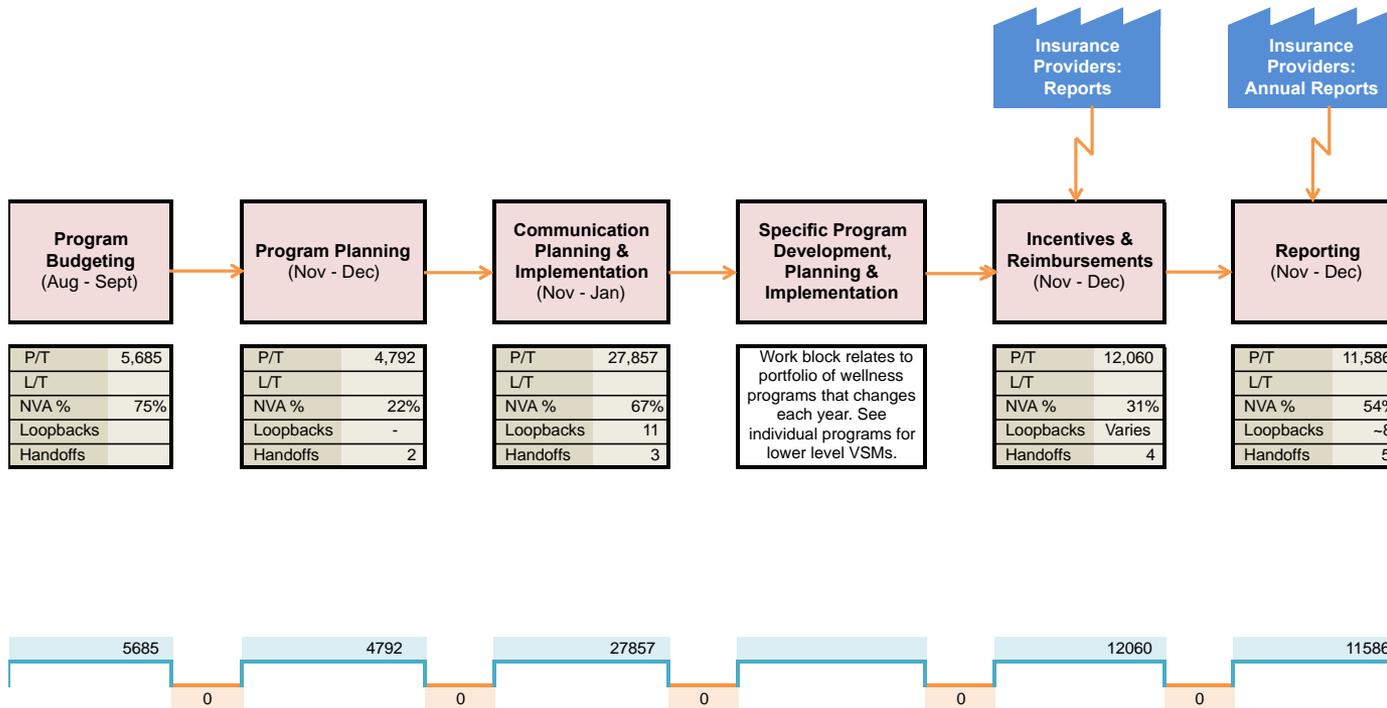
Three Steps:

1. Pareto the role by major process
2. Review VSMS for non-value add (NVA) activity percentage
3. Review Standard Work where there are the largest areas of NVA %

Staffing Requirements Review: Role Analysis

Major Task Description	Others Involved (#)	% of Job Nurse #1	% of Job Nurse #2	Associated Processes	VA/NVA	Task Frequency
Emergency Response, Case Management, Encounters (e.g., skinned knees), Fitness for Duty		25	19			
Wellness Program Development, Implementation and Management	Corporate Communications, Budget Analyst	15	45	Wellness, Budget, Corporate Communications, Procurement	VA	Annually
Flu Shots		45	7			
Monthly Newsletter, Health & Safety, Education & Outreach		5	7			

Staffing Requirements Review: VSM Analysis



Customer	Desired Outcome
Employee	<ul style="list-style-type: none"> Incentives Lower Insurance Premium Improved Health & Quality of Life Higher Opportunities Higher Engagement
Company	<ul style="list-style-type: none"> Higher Retention Lower Presenteeism Higher Productivity Employer of choice Lower Insurance Premiums (through health) Lower Absenteeism

Total Process Time (min.)	61,980
Total Process Time (hours)	1,033
Total Lead Time (days)	
Avg. Cycle Time (hrs.)	1,050

Situation 2: Staffing Requirements Tool

Based on the review,

You will be able to assess whether a percentage or all of the role's work can be eliminated, reduced or shifted to another role, thereby making your staffing requirements decision.

You will often charter process improvement efforts to target the opportunities identified in this review.

These can be done before a hire or after depending on the extent of the changes, the value of utilizing the existing employee in the role to make the changes, the time frame that a role might go unfilled or the decision to allow the new hire to influence the process changes.

Situation 3: Fixed Asset Justification Tool

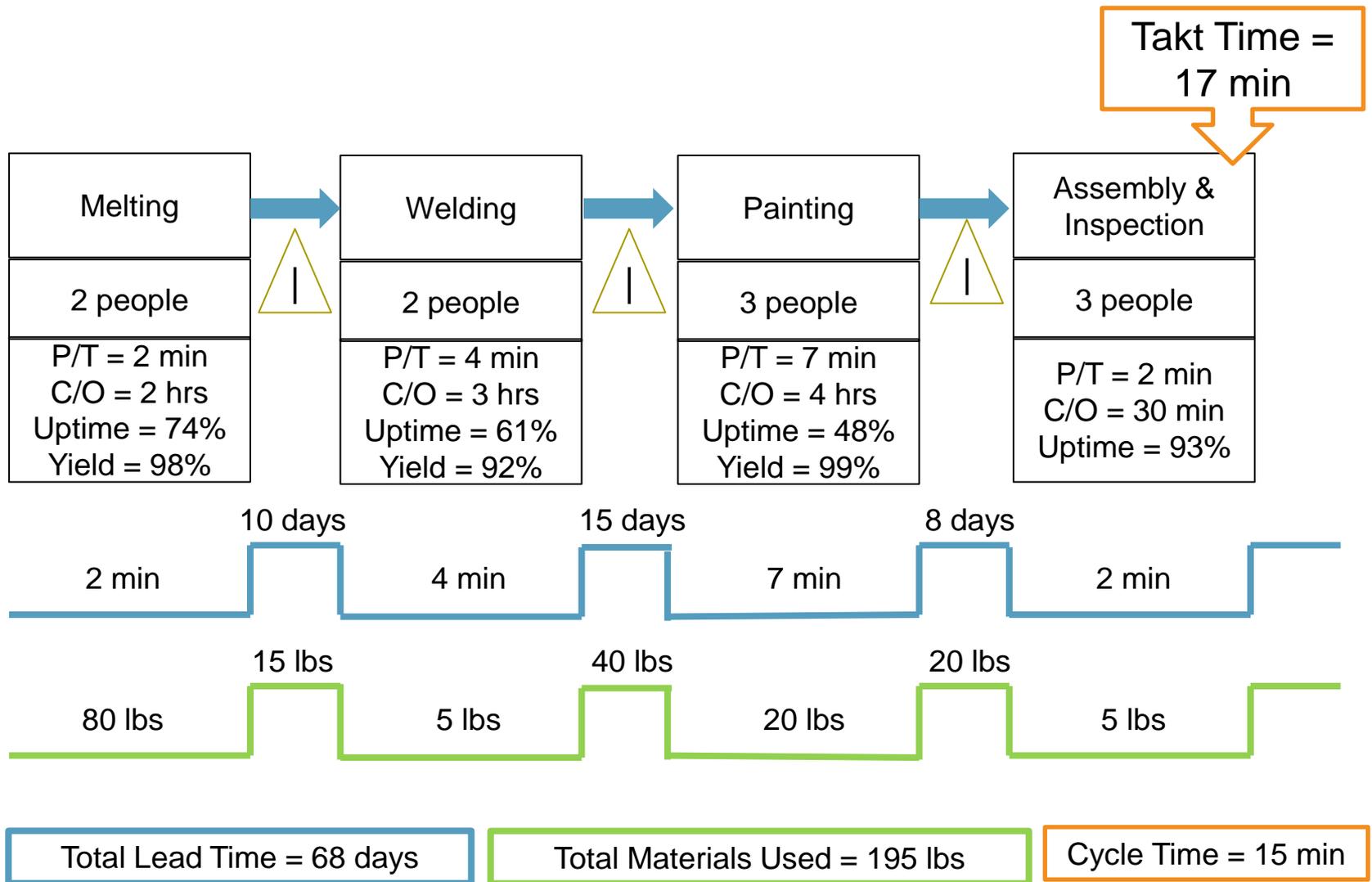
Fixed Asset Requests typically provide justification rationale that addresses the following elements:

Labor Costs	Downtime Cost
Maintenance Costs	Scrap/Costs of Quality
Sales Impact	New Asset Cost

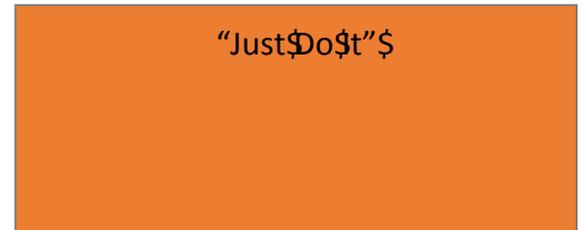
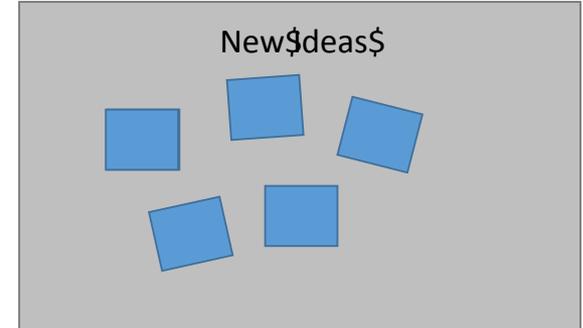
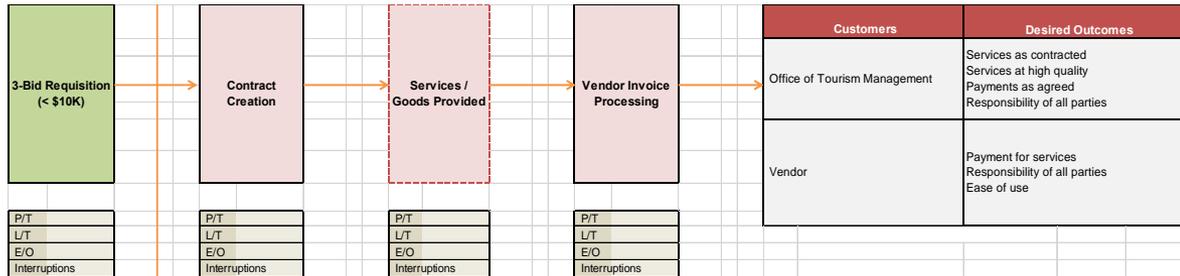
Fixed Asset Justification: Using the VSM

1. Does the current state VSM suggest a need to improve flow?
2. Does the equipment improve the current state?
 - a. Uptime?
 - b. Quality?
 - c. Process Time (lower labor cost)?
 - d. Costs? (inventory or yield)?
3. Can cycle time be improved with the new equipment (speed to market and service level)?
4. Can any of these factors be addressed without the equipment? What's the cost/benefit?

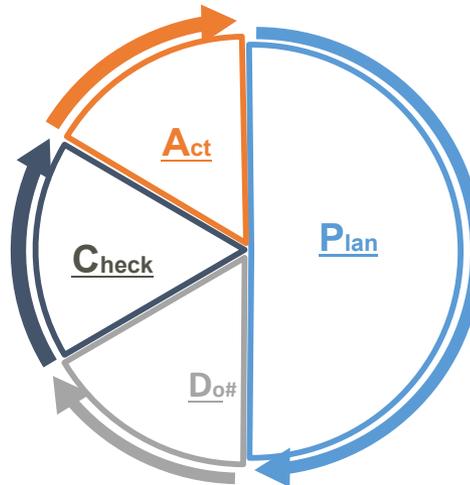
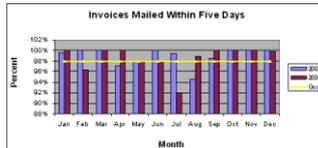
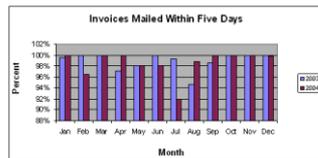
Fixed Asset Justification: VSM Example



Situation 4: Visual Management



Percent of Invoices Mailed within 5 Days			
	2003	2004	Goal
Jan	99.0%	100.0%	98.0%
Feb	100.0%	96.4%	98.0%
Mar	100.0%	100.0%	98.0%
Apr	97.1%	100.0%	98.0%
May	98.0%	98.0%	98.0%
Jun	100.0%	98.0%	98.0%
Jul	99.4%	92.0%	98.0%
Aug	94.6%	98.0%	98.0%
Sep	98.5%	100.0%	98.0%
Oct	100.0%	100.0%	98.0%
Nov	100.0%	100.0%	98.0%
Dec	100.0%	99.8%	98.0%



1

Situation 5: A Performance Management Tool

- Aids in identifying targets or goals. VSMS used in the planning process point to target areas for improvement, which can become personal or team goals that exist on individual performance appraisals or on a team's dashboard
- Supports the coaching conversation
- Gauges level of Lean thinking

Your Turn

coraggiogroup