Lean Six Sigma
in
Government

Lean and Six Sigma –
Continuous Improvement Spectrum

Six Sigma

Lean

Value Stream Mapping	SPC and Control Charts	Statistical Techniques
5S	FMEA	Regression
Spaghetti Diagrams	Process Mapping	Analysis of Variance
8-Wastes	Pareto Analysis	Hypothesis Testing
Pull and Flow	Basic Charts	DOE
Kaizen	Cause & Effect Charts	Measurement Analysis
Standard Work		DPMO and Sigma Level
Quick Changeover		Six Sigma = 3.4 dpmo

Low   High

Complexity

Difficulty

Time

What is Lean?
Working Smarter Not Harder

It is an approach that **shortens the lead-time** from customer requirements to delivery of products or services by **focusing on eliminating all forms of waste.**

- Lean is **Customer Focused** and **Customer Driven**. Every person in the supply chain, both internal and external to the organization is the customer of their upstream supplier.

- Lean helps organizations reduce waste, errors, cycle times and non-value-added activities, resulting in a more, agile, customer-responsive and cost-effective processes.

What About "Lean" in Government?

Lean is a proven methodology that can be even more applicable in service and Government environments since:

- Lean tools such as process mapping, waste walks and spaghetti diagrams make processes visible that otherwise would be impossible to properly see as they are often virtual (unlike more tangible manufacturing processes).

- If you can't see the process, you can't really understand it and therefore you can't properly improve it.

- Similarly, if you can't see the waste in a process then there will be no attempt to reduce it.

- Lean tools and methodology work with any type of process and their adoption in Government has proven to be extremely successful.

Non-Value Added: Waste

Waste is defined as anything that does not add value for the customer.
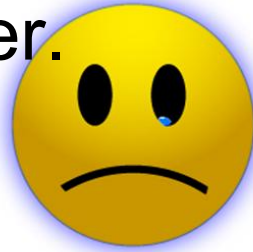
"Lean Thinking" requires an organizational culture that is intolerant of all forms of waste.
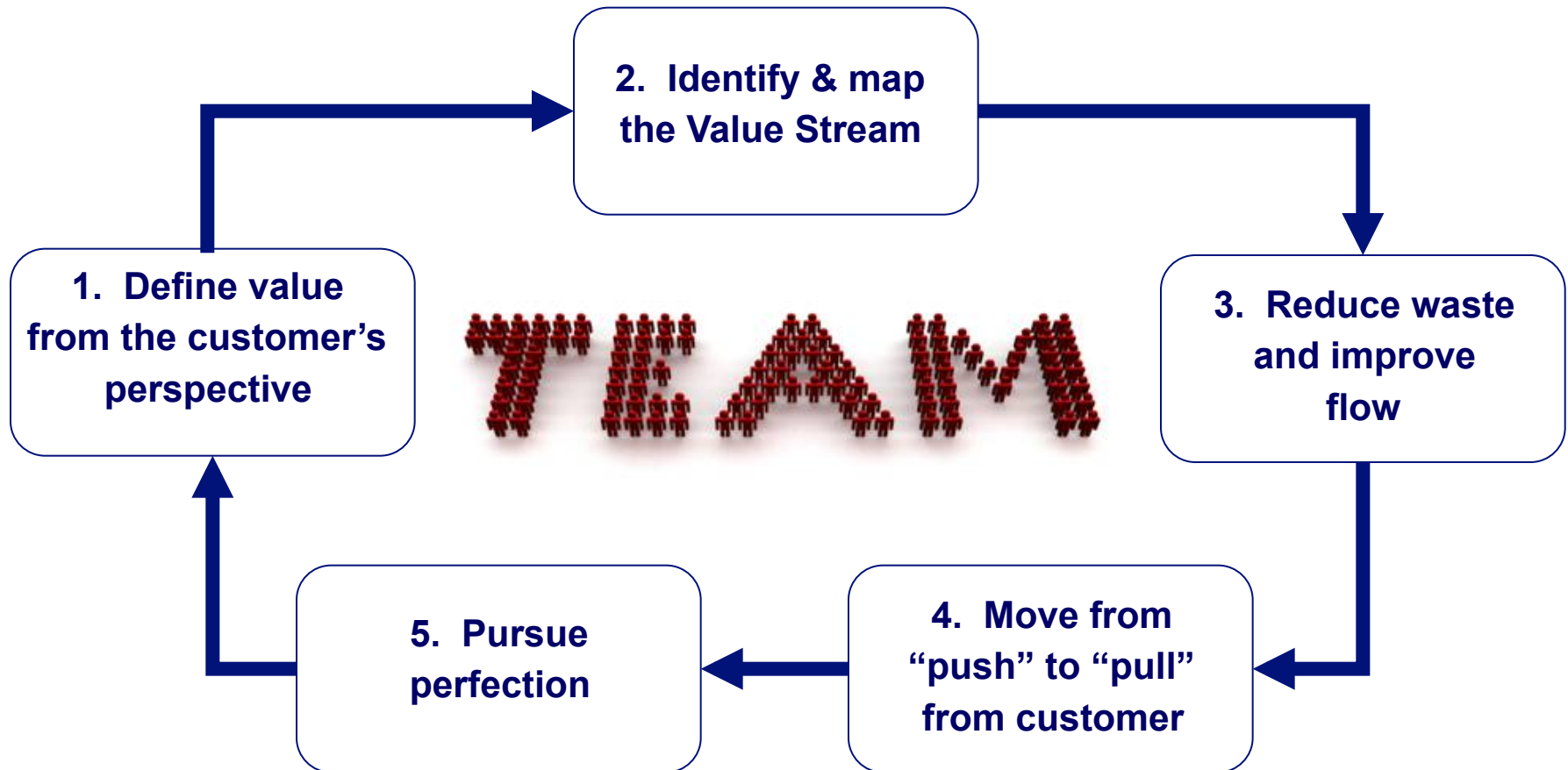
A key goal of Lean is to banish waste.

Waste = Stress!

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Video – Applying Lean in a Service Environment

Five Step Approach

2. Identify & map the Value Stream

1. Define value from the customer's perspective

TEAM

3. Reduce waste and improve flow

5. Pursue perfection

4. Move from "push" to "pull" from customer

"Respect for People" and "Continuous Improvement"

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CURRENT STATE VALUE STREAM MAP
ASSIGN PROVIDER TO NEW CLIENT

CLIENT REQUEST FOR PROVIDER → RECEPTION → CLIENT ASSIGNED PROVIDER

15-20 PER MTH.

AVE. 10/MTH

MAX 50
EXCEL
WAIT LIST

EMR

SCREEN CLIENT & PUT ON WAIT LIST		MATCH CLIENT TO PROVIDER		OBTAIN CLIENT SIGNATURE		BOOK INTAKE APPOINTMT.		INTAKE ASSESSMENT		ASSIGN CLIENT TO PROVIDER
RECEPTIONIST	30	RECEPTIONIST	7	RECEPTIONIST	7	RECEPTIONIST	7	N.P.	1	RECEPTIONIST

CT = 5		CT = 30		CT = 5		CT = 2		CT = 60		CT = 5
%CA =		%CA = 95%		%CA = 90%		%CA = 95%		%CA = 98%		%CA = 90%

2 RECEPTIONISTS
9 HRS/DAY AVAILABLE EACH

5 MIN | 30 DAYS | 30 MINS | 7 DAYS | 5 MINS | 7 DAYS | 2 MINS | 7 DAYS | 60 MINS | 1 DAY | 5 MINS = 52.07 DAYS

VA = 107 MINS
= 0.13%

HOW LEAN CONCENTRATES ON WASTE

Time →

Typical organization	**VA** **NVA**	**Original Lead Time**

Traditional Operational Improvement	**VA** **NVA**	**Minor Improvement**

Focus →

Lean Approach to Improvement and Waste Reduction	**VA** **NVA**	**Major Improvement**

Focus →

Applies to Any Process

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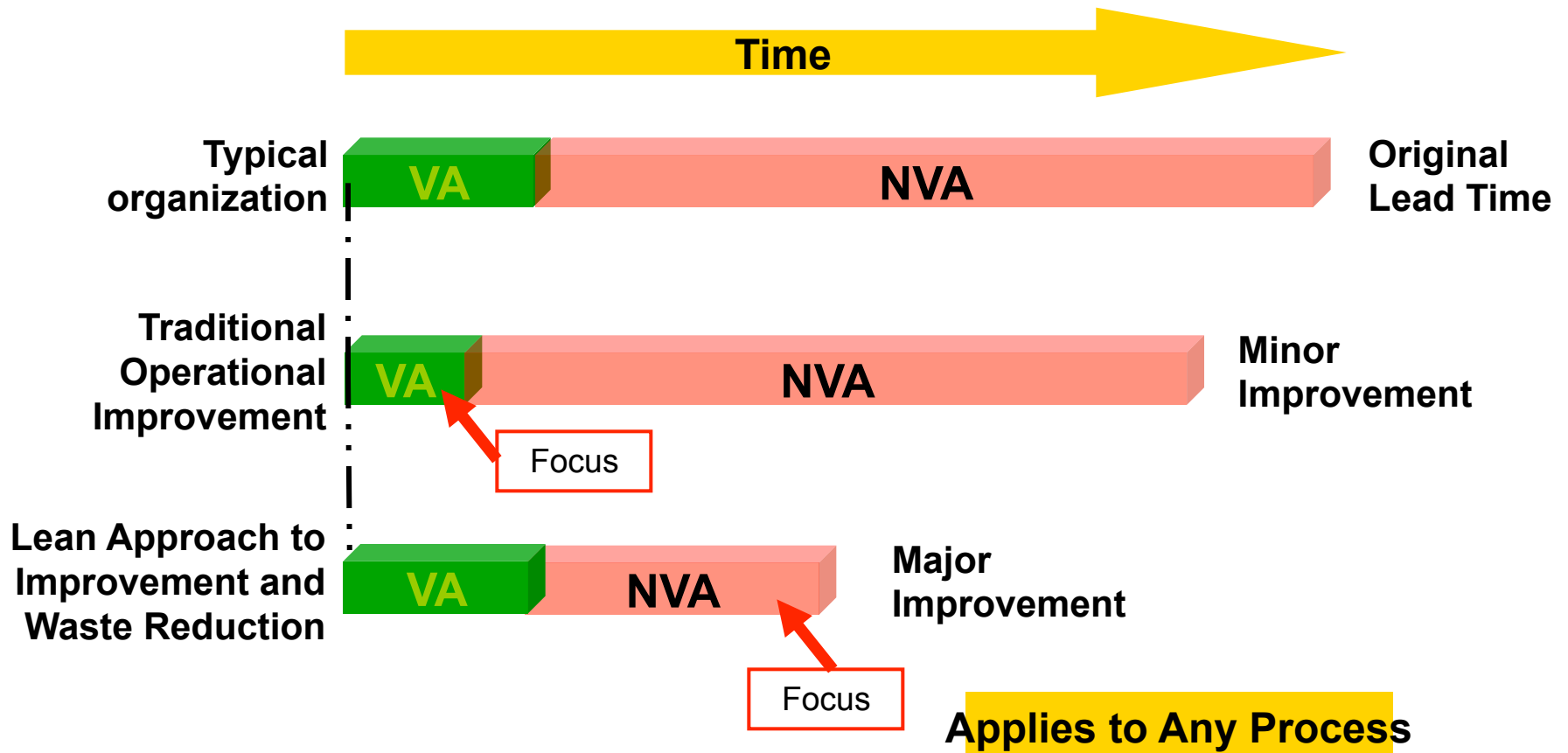
CONTINUOUS IMPROVEMENT PROGRESS
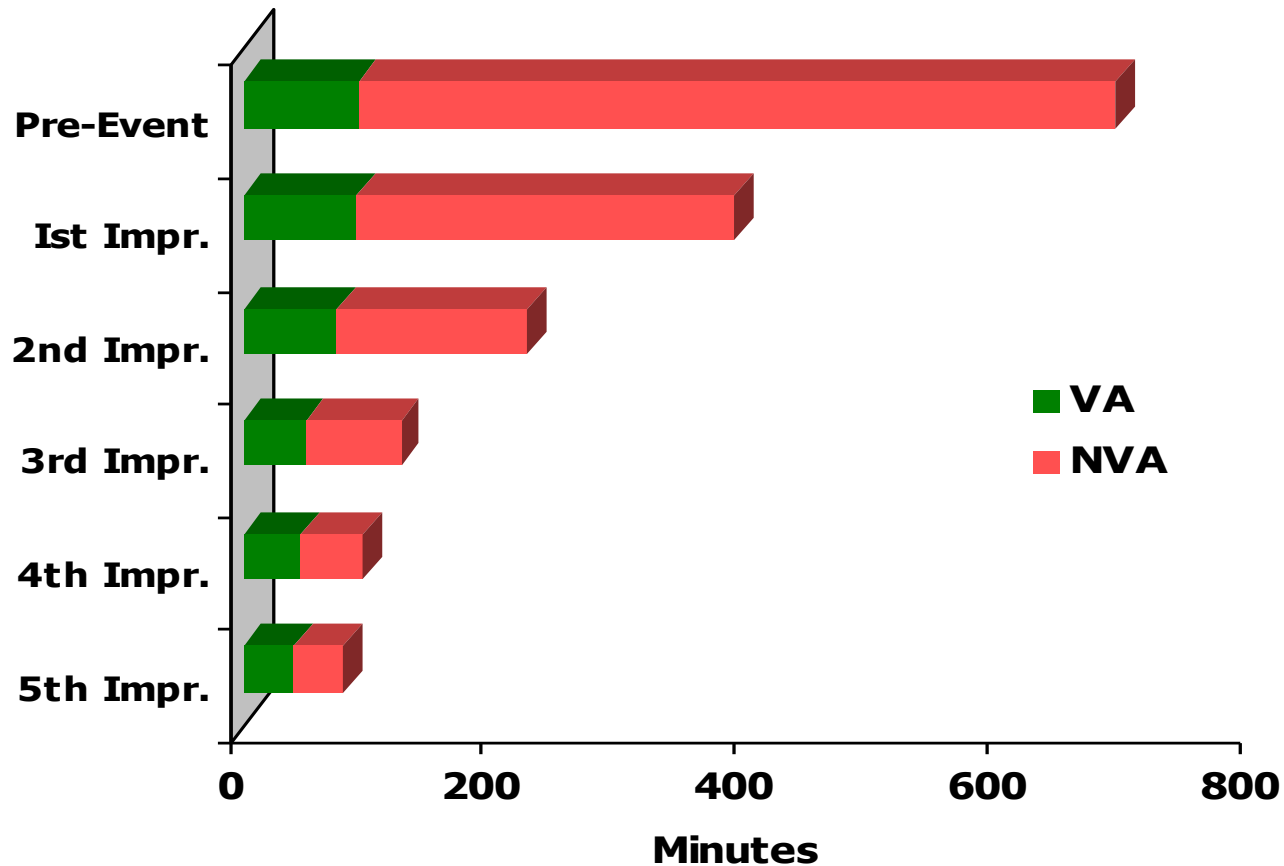
Your Expectation for Lean

- Improved customer experience and satisfaction with the same or less resources

- Increased job satisfaction & reduced stress for staff

- Ability to focus resources on more value-added activities

- Reduced costs through improved processes

- Participative problem-solving that engages the people who know and do the work... the team

- Your opportunity to become involved in improving processes in your area

- Greatest challenge is usually the people side of change management

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Building the Right Culture

Leadership – Provide Direction and Build Trust

- Sustained, Demonstrated Commitment
- Strategy, LSS Deployment Plan, Alignment with strategic plan
- Provide Resources, Support
- Follow-through, keep commitments

Have Bias

- For saying 'Yes'
- For Action – Don't wait for perfection but be prepared for success
- Continuous Learning (it's 2-way and never stops)
- Continuous Improvement (No end! There are always challenges!)

People Side Critical for Success

- Involve those who do the work
- 2-way communication (on-going) – always be honest, straightforward
- Respect for Staff
- No lay-offs due to LSS
- Focus of Lean is reducing frustration and waste for people in process
- Understand and communicate 'WIIFM' for stakeholders

Critical Success Factors

- <u>Sustained</u> Management commitment and leadership
- Management education
- Realistic deployment planning and tangible metrics
- Proper structure and resourcing
- Selection of the right projects and areas of focus
- Effective communication of deployment and rationale
- Education, training and coaching during deployment
- Monitoring and achievement of tangible results
- Understanding the importance of Change management

Keys To Success

❑ Choose projects which have high priority

❑ Choose projects which are 'edible' (realistic scope)

❑ Choose projects which are achievable quickly (in 3 – 6 mths).

❑ Choose projects with significant impact on safety, cost reduction, customer satisfaction cycle time, and quality

❑ Choose projects with a history of reliable data (if possible)

❑ Regular and consistent operational reviews, coaching and guidance to promote timely and effective completion of DMAIC phases and ensure successful project completion