

CI program vs CI projects

	Program Approach	Project Approach
Definition	Ongoing stream of multiple & independent CI projects, well supported by customized CI program design	Support provided by project
External support	Program design, training & follow-up; Project facilitation	Project facilitation only
Goals	Major performance & people goals integrated into business plans / obj's	Performance goals only
Focus	Increase people capability & participation, results simultaneously	Project success only
Buy-in	Achieve buy-in via program design	Project-dependent
People capability	Proactively identify & build people capability rapidly	Addressed in reactive mode only
Improvement rate	Much faster, bottlenecks addressed proactively	Bottlenecks not addressed proactively

Typical components of a CI program

- Program vision
- Performance breakthrough
- Idea generation and prioritization
- Improvement methodology
- Structure & resources
- Measurable program outcomes
- Management objectives
- Management controls
- Customer focus
- Employee capability
- Reward and recognition
- Communication and visibility
- CI culture
- Design for sustainability

Company ABC

CI Program Design 2006

CI program outcomes

- Measurable performance results
- Internal customer focused
- Broad employee involvement
- Enhanced employee capability
- Aligned with company culture
- World class
- Self-sustainable
- Avoid “flavor of the month”
- Creates pride

CI Vision 2006

- Solving problems
- Enduring for “years and years”
- Reaching a goal
- Theory into practice
- Conscious effort – cultural change
- Improve every day
- Creativity – find a better way
- Discipline
- Team approach
- Everyone involved / every department
- Improvement methodology remains consistent
- Status quo not good enough
- Measurable accomplishments
- Reward and recognition

CI Vision 2006

- Fun
- Improve job satisfaction
- Enable contribution
- Management listening
- Grow
- Not just another program
- Sustained
- Improve morale
- Shared responsibility for success
- Management tool for success
- Fully backed by management
- Communication is crucial / closed loop
- Not always “the same people”
- CI supporting company objectives

Performance breakthrough

- Sustained, high ROI
- Ongoing (long-term) project generation
- Projects support business plans
- Rational project prioritization, sequencing, timing
- Execution of 30 CI projects by year end 2006
- Broad project focus:
 - Revenue generation
 - Order fulfillment
 - Product / process development
 - People
- Use CI to improve QMS

CI Idea Generation and Prioritization

- Create enthusiasm for CI
- Quantity – many ideas
- Scope:
 - Revenue generation
 - Order fulfillment
 - Product / Process development
 - Supporting processes
 - Joint Company / Customer / Supplier projects
- Kickoff – ½ day initiation within each department
- Ensuing week to capture additional ideas
- Post-its on a wall / board

CI Idea Generation and Prioritization

- Categorization and prioritization by management team
- Prioritization by management team
 - Value
 - Timing
 - Trend
 - Risk
 - Visibility for CI program
 - Company CI Objectives
- Sponsorship of top 25 projects
- Assignment of teams
- Follow up by Steering Committee

Improvement Methodology

- **Deploy “10 Steps” throughout the company**
- **Disciplined use of structured methodologies**
- **Communicate that tools will evolve over time, but the CI Program is here to stay.**
- **Improvement of knowledge and skills is primordial**
- **Employees will be the source of all improvement**
- **Management’s job is to accelerate the effort, remove obstacles, and provide support**

Structure & Resources

- **Management Team**
- **CI Steering Committee – monthly meetings**
- **CI Coordinator: 1**
- **Instructors: 3 - 4**
- **Facilitators: 15**
- **Gatekeepers**
- **CI Teams: 30**
- **Sponsors: for CI projects**
- **External support: SatiStar**
- **Communications Committee**
- **Customer Advisory Board: 2007 - 2008**

Business Process Reengineering

- **Extremely large improvement projects require different tools, skills and support**
- **Steering Committee and management team should avoid “monster” projects too soon.**
- **Undertake Cycle Time Reduction project in 2006**
 - Large improvement potential!

Objectives / Management Controls

- **Team results must be quantifiable**
- **Communicate and track results**
- **Use standardized 4-Panel reporting format**
- **Use performance measures**
 - Expected savings (on-going, one-time, cost avoidance)
 - Timeline (when will improvement be achieved)
 - Customer Satisfaction impact
 - Employee Satisfaction / Morale impact
 - Cycle time impact
 - Quality improvement
 - Cost of implementation – ROI
 - Effect on Environment / Health / Safety improvement
 - Etc.

KPI / Performance / Results Measurement

- **2006:**
 - Overall CI program target should be activity-based
 - Individual CI project targets should be output-based
- **2007 and beyond:**
 - Targets should be output-based
 - Activities are only the means to deliver the desired results

Customer focus

- Strong customer focus (internal, external)
- Establish customer satisfaction targets & plans (CI teams)
- Customer Advisory Board
- Joint Company / Customer projects
- Resolve customer complaints
- Link to reduction of internal non-conformances

Employee capability

- **Broad-based employee development**
 - Multiple levels, functions, roles, responsibilities
- **Strong training**
 - Rapid improvement
 - High skill utilization
- **Develop highly-skilled facilitator & instructor teams**
- **Instructor certification**
- **Gatekeeper approach – require correct use of structured approach**
- **Additional CI workshops**
- **Position CI capability as “high value”**
- **Require strong managerial education, involvement**

Reward and Recognition

- **Build a strong recognition-rich culture**
- **Generate pride in achievement of results**
 - “You did a good job”
- **Focus:**
 - Results, capabilities, correct use of the tools
- **Completion of CI projects**
- **Overall CI program status, achievements**
- **Personal**
- **Responsive**
- **Frequent**
- **Improve morale**
- **Competition**

Reward and Recognition

- **Multiple targets**
 - Individuals
 - Teams
 - Departments
 - Facility
- **Multiple channels**
 - Team photos
 - Newsletters
 - Year-end “Gala event”
 - Conference of Champions
 - Bulletin boards
 - Pay envelope memos
 - Press releases
 - Wall of Fame
 - Project presentations by teams to management
 - etc

Communication and Visibility

- **Communications committee to plan, coordinate & lead effort**
- **External and internal targets:**
 - Customers / Suppliers / Press / Community / Chamber of Commerce / etc
 - Employees / Families / Teams / Leaders / Management / Global
- **Create detailed communications plan (needs, resp's, timing, method, intended outcome) for each target audience**
- **Create CI identity (logo / slogan)**
- **Promote CI program activities and successes**

Communication and Visibility

- **Promote CI team activities and successes**
- **Newsletters**
- **Press releases**
- **Team photos**
- **Website / Intranet**
- **Posters / banners / bulletin boards**
- **Communications meetings / management speeches**

World class CI culture

- Teamwork
- Supportive leadership
- High capability teams, facilitators, instructors
- Fun, enthusiasm
- High, sustained participation rate
- Self-initiation of projects
- High visibility, high recognition environment
- Disciplined use of CI methods
- Ongoing training
- Comprehensive communications support

Program sustainability

- **Effective leadership model**
 - Vision / roadmap
 - Allies and alignment
 - Motivation and momentum
- **Formal metrics, targets, plans and goals**
- **Effective, closed-loop management controls**
- **Activity-based and performance-based metrics**
- **Personal ownership, accountability**
 - Program and project deliverables
 - All managers have CI objectives
- **“Owned” by Company ABC**
- **Adequately resourced**



Program sustainability (continued)

- **Visibility, recognition-rich environment**
 - Multiple visibility and recognition systems
 - Multiple levels of recognition
 - Facility
 - Global
 - Target achievement of customer recognition, awards
 - External business community
 - Annual Conference of Champions
- **Recognition for team, individual efforts**
- **Annual program reflection (with SatiStar)**
- **Integration into QMS**
 - Subject to internal, external ISO 9000 audit, management review

Time Line

