UNIT 16. LESSONS FIVE AND SIX

Business Continuous Improvement Planning

LO 2. Lesson Objectives

UNDERSTAND AND APPLY BUSINESS IMPROVEMENT PLANS TO CASE STUDY

Assessment Criteria:

- **P2** Prepare a continuous improvement plan based on the review and critique of operations management principles within an organisational context.

- **M2** Analyse the effectiveness of a continuous improvement plan using appropriate theories, concepts and/or models

- **D1** Apply appropriate theories, concepts and/or models to justify strategies of a continuous improvement plan for achieving improved efficiency.

LO 2. Course Content

Improving the effectiveness and efficiency of the operations function:

- Policies and processes including cost reduction and quality improvement.
- Continuous improvement as a philosophy and approach using the application of Lean
- principles within a cycle of continuous improvement.
- Operations as a cross-organisation activity and not simply an independent function.
- The significant impact that technology has had upon operational functions and
- information flows.
- Consideration of software systems Enterprise Resource Planning systems (ERP),
- Supply Chain Management (SCM), New-Product development (NPD) and Customer
- Relationship Management (CRM).

Improving quality:

- Reducing defects through Total Quality Management, the concept of Kaizen and
- process re-engineering.

Thirteen Project Management Terms That You Should Know

PURPOSE

Without purpose, it's hard for teams to exert the extra effort to get things done. Before you start, organize a kick-off meeting, and define the goal and what you're trying to achieve.

GOAL

Goals provide focus on how to design a road map to fulfill the objective. They should be S.M.A.R.T. : Specific, Measurable, Achievable, Relevant and Time-bound.

RESOURCES

Identify the resources required from capital, people, equipment, space, time and anything else needed to get the job done. Without the right resources, a project will fall short.

CAPABILITIES

People are the most important resourceof all. Go with those who have the skills, experience and will to achieve at the highest level.

DECISIONS

Be clear about who can make what decision, what needs to be vetted by a committee and how quickly decisions are made. If too many people are involved, the risk of falling into an analysis paralysis increases. Make sure you have the right people making the best possible decisions at all critical junctures.

DEBATES

Try to analyze a situation from multiple angles. Encourage your team to explore all possibilities, list the most viable options and then select the best one. Instigate a healthy debate to explore opposite sides, so when it comes down to deciding,you have considered most factors.

TARGET DATE

Time is a very important factor, and your team must complete tasks on time to achieve the project by its deadline. If not, it will take more resources to achieve the same goal.

EXPLORATION

Go through every possible option available. Weigh pros and cons carefully, and try to come up with the option that adds the most value.

PRIORITIES

Put priorities under constant review, as what is important today might not be as important tomorrow. Your team must know how the context changes, so you can adjust the plan accordingly.

TRANSPARENCY

Know who is working on what, and who is or is not getting their tasks done on time. Without transparency, problems are likely to stay hidden and get worse. It's much better to raise red flags and work collaboratively on solving problems early.

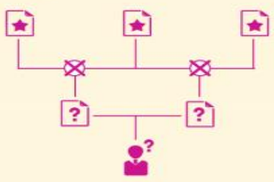
ACCOUNTABILITY

This should not be confused with responsibility. Teams can share accountability, but individuals within a team are responsible for getting tasks done.

RED FLAGS

Create an environment where people are willing to raise issues if they see something wrong. Teams must work together to solve problems and trust each other to give their real opinions.

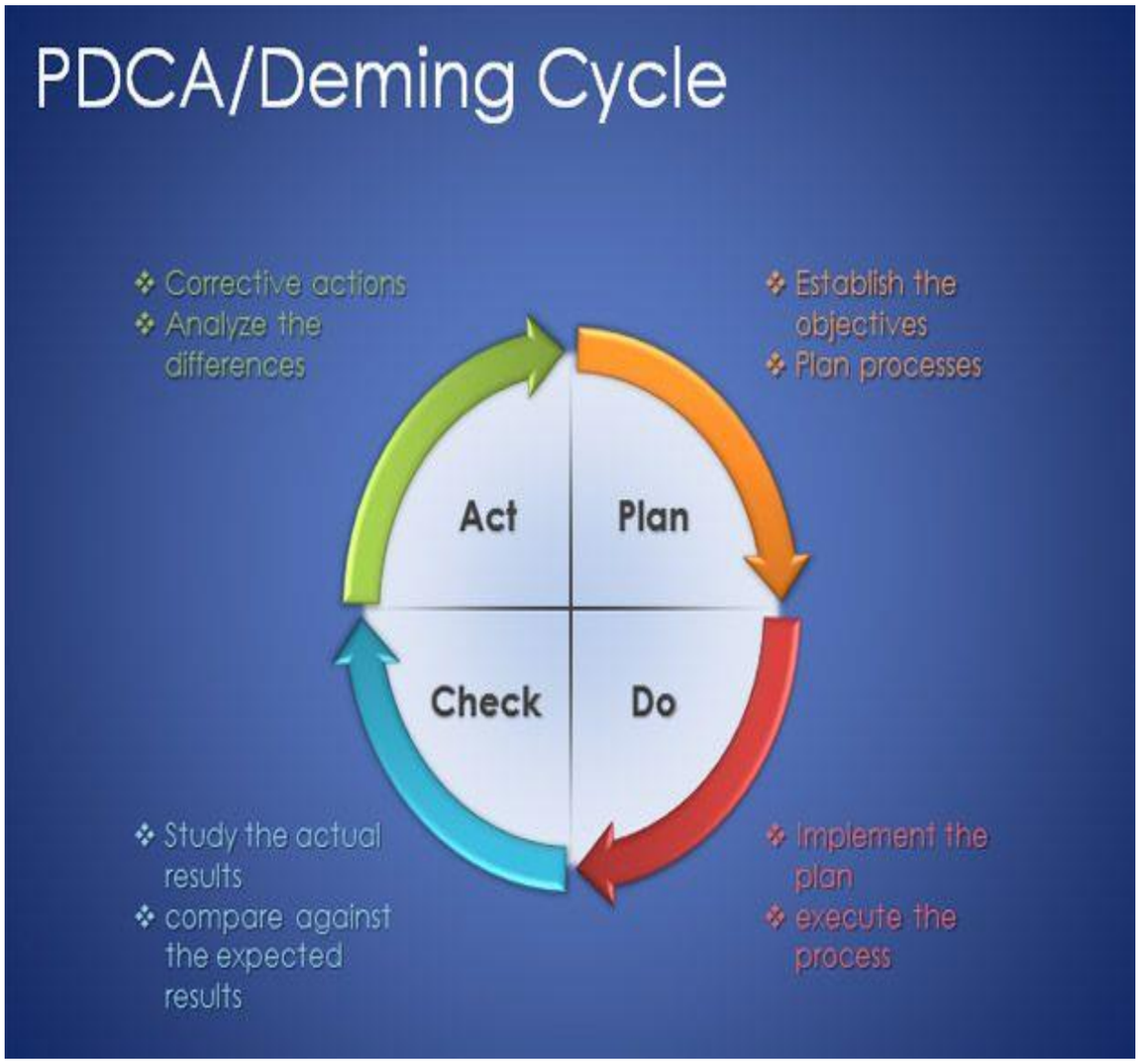
CRITICAL PATH



This term refers to the longest pathway to achieving a result that depends on the execution of numerous processes. Make sure to identify the critical path throughout the duration of the project. It may shift depending on the nature of the project you're working on.

BUSINESS IMPROVEMENT PROCESS

PDCA can be used as a problem solving approach and it is coined to Dr. W. Edwards Deming. When it is implemented correctly the approach can reduce non-conformances from re-occurring difficult to resolve issues. This PDCA template is designed with tested problem solving methodologies with planned monitoring activities.



You can use the PDCA methodology and PDCA diagram for:

- Presentations on problem solving and describe problem solving process in PowerPoint
- Daily routine management for the individual or teams
- Project management tasks
- Process trials
- Continuous development processes
- Vendor development and sales presentations
- Human resources development and career PowerPoint presentations
- New product development
- Additionally, the PDCA template can also be used in Quality Assurance plans or as a template for Total Quality Management presentations.

The Page Contents Are ALL Retrieved from: https://slidehunter.com/powerpoint-templates/plan-do-check-act-powerpoint-template/

Lean Six Sigma – DMAIC – Step By Step Approach

The DMAIC improvement cycle is the core tool used to drive Lean Six Sigma Projects

Define Measure Analyze Improve Control

Phase 1: Define Phase

Define and quantify the problem and objective

Steps

Define and scope problem
Determine project objectives and benefits
Create project charter

Tools

Project Charter
SIPOC
Stakeholder Assessment
High Level Pareto & Process Map
VOC/VOB & CTQ's

Phase 2: Measure Phase

Baseline process, validate measures

Steps

Define the As-is process
Validate the measure systems for the outputs
Calculation and baselining of the quality process performance

Tools

Data collection sheets
Cause & Effect Diagram & Matrix
Value Stream Mapping
Measurement Systems Analysis
Process Capability & Sigma Levels

Phase 3: Analyze Phase

Analyze and validate causes and identifying critical x's

Steps

Identify the critical causes (x's)
Analyzing the significance of x's
Identifying the significant causes to focus on to achieve y=f(x)

Tools

Why-Why & other analysis
FMEA
Graphical analysis
Hypothesis testing
Regression analysis

Phase 4: Improve Phase

Develop and Validate Solutions

Steps

Generate the potential solutions
Select and test solutions
Develop pilot implementation plan and conduct pilot studies

Tools

Design of Experiments (DOE)
Solution evaluation tools

Phase 5: Control Phase

Implement & Control critical X's and sustain solutions

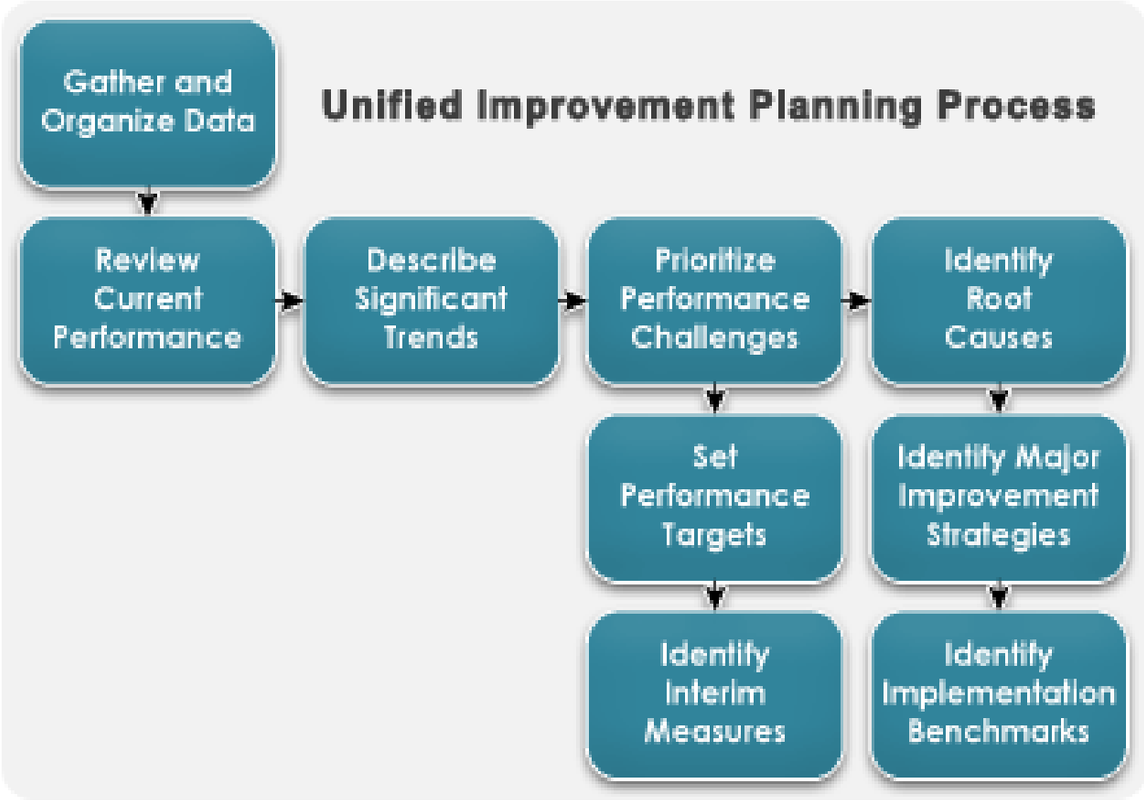
Steps

Create control and monitoring plan
Implement full scale solution
Get a project closure signoff and hand over the project

Tools

Control Charts
Poka-yoke
Training Plan
Communication Plan
Documentation

Continuous Improvement Planning



Target area *Detail specific area where performance standards have not been met*	**Performance concern** *Detail specific dates and examples of where the standards have not been met*	**Expected standard of performance** *Detail what is expected of the employee in terms of their performance i.e. what does 'good' look like*	**Agreed improvement actions** *Detail what actions need to be taken to meet expected standard of performance*	**Support** *Detail what has been agreed in terms of support required to achieve the expected standard of performance*
EXAMPLE: Organisational skills - difficulty organising workload on a daily basis.	**EXAMPLE:** Two deadlines missed (insert details) and complaint received from Department X who did not receive a response to an email sent twice on (insert dates).	**EXAMPLE:** To effectively manage workload on a daily basis, meet deadlines efficiently, prioritise tasks and respond to emails in a timely manner. Measured by management observation of performance of tasks.	**EXAMPLE:** Operate daily 'To Do' check list and a diary. To respond to emails received within 3 working days.	**EXAMPLE:** Training in Outlook task lists and calendar. To work shadow colleague Y in prioritising her daily tasks.
EXAMPLE: Accuracy – in research data.	**EXAMPLE:** Repeated inaccuracy of research data (insert details) involving typing errors when transferring raw data into reports.	**EXAMPLE:** To produce accurate data and to enable meaningful analysis and for research publications.	**EXAMPLE:** Employee to double check own work before submission, Keeping records of research carried out to refer to. Supervisor to also check data against records.	**EXAMPLE:** Further training in writing research papers and handling complex data. Time management training.

Continuous Improvement Planning – Sample Front Page

Organisation name		
Organisation Head Office address		
ABN		
Service details	**Service/service outlet name/s**	**Service number/s or Provider Outlet ID**
Contact details for Organisation	(Insert contact name) (Insert postal, email and phone contact details)	
Name and position of person within the organisation who approved the continuous improvement plan		
Signature of above named person		
Due date for submission of the plan		
Due date for review of the continuous improvement plan		

CASE STUDY FOR CLASS WORK: WEEK 6

Continuous improvement within an organization: A Leyland Trucks case study

LINK THE CASE STUDY IS HERE:
http://businesscasestudies.co.uk/leyland-trucks/continuous-improvement-within-an-organisation/introduction.html

INDEPENDENT READING ASSIGNMENT

CASE STUDY APPROACH

Independent Reading: Business Improvement Process
DIRECT LINK:
http://webcache.googleusercontent.com/search?q=cache:a0BSLlcialsJ:www.customermfg.com/wpfiles/csbpi.pdf+&cd=4&hl=en&ct=clnk&gl=us


Continuous Improvement
Performance
Performance measures
Management purposes
Commitment
Competitive awareness
Shared goals
Quality
Process
Process Mapping
Process Analysis
Strategy
Vision & Mission
Deliverables


Control
Define
LEAN
6σ
Improve
Measure
Analyze