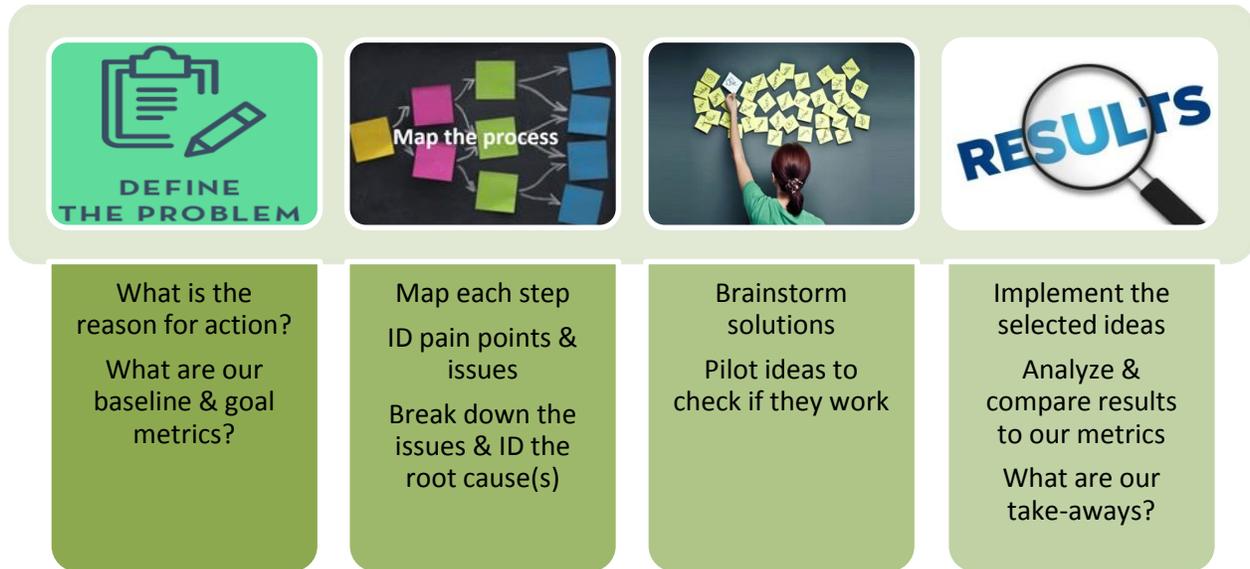


## Overview

Improving business processes is a four-step process: define the problem, map the process, brainstorm & test ideas, and analyze results.



### Define the problem (Boxes 1-3)

What problem are we trying to solve and why? Identifying why change is needed can help scope the problem, document your reasoning, and generate support. Next, let's objectively define the current state of the problem, and what we want it to look like. Focus on the metrics that we can track progress against; I don't know if I've lost any weight if I don't know what weight I started at. What constitutes success? How will we know that our solutions helped solve the problem?

### Map the process (Boxes 2 & 4)

Grab some post-it notes and document each activity in the process, from start to end, clearly defining who does what. Everyone who does the process should be involved and engaged in this activity, focused on what does happen 80% of the time (instead of what should happen). Next, add estimates of time for each step (actual work time, not waiting) and between steps (waiting or downtime). Finally, note the points in the process where issues and pain points occur- where is there waiting, overproduction, defects, rework, unused capacity, etc.? After identifying these issues, dig deeper to uncover the root causes. What are the various contributing factors to this particular problem? What caused this issue, and what caused that issue? If we were to diagram the movement in this process, what would that look like, and is that the most efficient way to organize that space?

### Brainstorm & Test Ideas (Boxes 5 - 7)

From the issues we identified, what could we do to solve the root cause? What might move the needle to achieve our goals? Generate a bunch of ideas as a group, initially without judgement. Practicality can come later when we decide which ideas we will pilot; to start with, our goal is to come up with numerous solutions. Crazy ideas can get people thinking of more practical solutions! Once the group has

selected the most promising ideas, we need to test to check if they will work as designed. After this step, we can implement those ideas that worked and scrap/tweak those that didn't.

## Analyze Results (Boxes 8 & 9)

After the ideas have been implemented, we will check to see if they had any impact on the metrics we initially identified. What happened after the action items were completed? Did it improve the situation, make matters worse, or have no impact? What did we learn from this problem solving process? What could we modify to improve our results? Get feedback from the group- what could we have done differently? What went well, and what didn't?

This method for improving business processes follows the A3, a structured approach to problem-solving. The A3 gets its name from the metric size of paper that's comparable to our 11x17. The A3 can be used to think through any issue, problem, or opportunity and is essential in clarifying the scope of an innovation. It's also helpful in building consensus and communicating the outcomes or improvements that result from an innovation. It's easy to start an A3, simply pull out a blank sheet of paper, create 9-equal sized boxes with headers that follow the A3 model/structure:

<b>1</b>	<b>Why Change is Needed</b>	<b>4</b>	<b>Gap Analysis</b>	<b>7</b>	<b>Action Plan</b>																												
<p><i>Sample Questions:</i></p> <ul style="list-style-type: none"> <li>Why are we doing/changing this?</li> <li>What is the circumstance or emergency demanding change (burning platform)?</li> <li>What is the chief complaint (e.g. Voice of the Customer)?</li> <li>What is the impact of this issue?</li> <li>Intent of the action</li> <li>Scope – Start &amp; end points</li> </ul>		<ul style="list-style-type: none"> <li>What holds us back from the future state?</li> <li>What are the root causes of these road blocks?</li> <li>What tools are available to ID waste? Process maps, communication circles, fishbone diagrams, spreadsheets</li> </ul>		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th>Action Item</th> <th>Assigned To</th> <th>Date Completed</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>		Action Item	Assigned To	Date Completed																									
Action Item	Assigned To	Date Completed																															
<b>2</b>	<b>Current State</b>	<b>5</b>	<b>Brainstorming</b>	<b>8</b>	<b>Results</b>																												
<ul style="list-style-type: none"> <li>Quantitative metrics of the current state (X widgets go through the process per year in Y-days on average)</li> <li>Qualitative metrics - customer satisfaction, etc.</li> <li>Graphically present picture of Current State</li> </ul>		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th>If we...</th> <th>Then we...</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>		If we...	Then we...							<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th>CS</th> <th>FS</th> <th>30d</th> <th>60d</th> <th>90d</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>		CS	FS	30d	60d	90d															
If we...	Then we...																																
CS	FS	30d	60d	90d																													
<b>3</b>	<b>Future State</b>	<b>6</b>	<b>Experiments</b>	<b>9</b>	<b>Lessons Learned</b>																												
<ul style="list-style-type: none"> <li>Quantitative metrics for the future (e.g., cut process time in half, double the output with current level of resources, etc.)</li> <li>Qualitative metrics (e.g., increase customer satisfaction by 25%, etc)</li> <li>Include hard dollar savings, soft dollar savings, service level improvements, and human development</li> <li>Ensure metrics are clearly defined and achievable</li> </ul>		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th>Action/Innovation</th> <th>Actual Outcome</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>		Action/Innovation	Actual Outcome							<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #333; color: white;"> <th>Went Well / Helped</th> <th>What Didn't Go Well / Hindered</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> </tbody> </table>		Went Well / Helped	What Didn't Go Well / Hindered																		
Action/Innovation	Actual Outcome																																
Went Well / Helped	What Didn't Go Well / Hindered																																