

Overview

An **A3** is a planning tool that should be used to help plan innovations in your organization. It is the main tool for implementing innovations in the City and is the document we use to record savings and impact.

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 and create 9-equal sized boxes with headers that follow the A3 model/structure below:

Structure of the A3

1 Why Change is Needed	4 Gap Analysis	7 Action Plan																												
<p><i>Sample Questions:</i></p> <ul style="list-style-type: none"> • Why are we doing/changing this? • What is the circumstance or emergency demanding change (burning platform)? • What is the chief complaint (e.g. Voice of the Customer)? • What is the impact of this issue? • Intent of the action • Scope – Start & end points 	<ul style="list-style-type: none"> • What holds us back from the future state? • What are the root causes of these road blocks? • What tools are available to ID waste? Process maps, communication circles, fishbone diagrams, spreadsheets 	<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																									
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2 Current State	5 Brainstorming	8 Results																												
<ul style="list-style-type: none"> • Quantitative metrics of the current state (X widgets go through the process per year in Y-days on average) • Qualitative metrics - customer satisfaction, etc. • Graphically present picture of Current State 	<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															
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CS	FS	30d	60d	90d																										
3 Future State	6 Experiments	9 Lessons Learned																												
<ul style="list-style-type: none"> • Quantitative metrics for the future (e.g., cut process time in half, double the output with current level of resources, etc.) • Qualitative metrics (e.g., increase customer satisfaction by 25%, etc) • Include hard dollar savings, soft dollar savings, service level improvements, and human development • Ensure metrics are clearly defined and achievable 	<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																		
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A3 Tips:

- **Planning Tool**
 - Use the A3 to think through any type of opportunity or issue your team is facing.
 - The A3 is strongly recommended when planning an innovation like a rapid improvement event, a workshop, a Just Do It, or a project.
 - Metrics, metrics, metrics – Focus on outcomes and what gets better as a result of your innovation and use the A3 to document those outcomes. Include hard costs of implementing innovation if applicable.
- **Communication Tool**
 - Use the A3 to document your reasoning and your actions.
 - The 9 boxes of the A3 serve as an effective outline for presentations and formal report documents.
- **Consensus Building Tool**
 - Use an A3 to extract expectations from your management team to align outcomes for your innovation.
 - The A3 is helpful in facilitating discussions about a proposed innovation and ensures conversations are about the improvement, aren't personal, and aren't anecdotal.

Getting Started with Boxes 1-3

Box 1:

Remember, Box 1 of the A3 is where we make a concise and emotional case for why change is needed.

1	Why Change is Needed
<p>Sample Questions:</p> <ul style="list-style-type: none"> • <i>Why are we doing/changing this?</i> • <i>What is the circumstance or emergency demanding change?</i> • <i>What is the chief complaint?</i> • <i>What is the impact of this issue?</i> • <i>Intent of the action</i> • <i>Scope – Start & end points</i> 	

1	Why Change is Needed- EXAMPLES
<ul style="list-style-type: none"> • We can lose our funding if we don't fix this • The number one customer complaint is how long it takes to get this • We can help more people • To make employees more engaged 	

Box 2:

Box 2 is where we outline our current state in terms of MEAT (Money, Errors, Amounts, and Time).

2	Current State
<ul style="list-style-type: none"> • <i>Describe direct, objective, and thorough attributes of what is currently happening – Quantitative & Qualitative (baseline metrics)</i> <ul style="list-style-type: none"> • Money • Errors • Amounts • Time • <i>Graphically present picture of Current State</i> 	

2	Current State - EXAMPLE
<p>M: \$60,000 per month (+ rework costs), \$1,200/contract @ \$40/hour, with 50 contracts/month and 30 hours/contract</p>	
<p>E: 5% done incorrectly—must be reworked</p>	
<p>A: Produce 50 contracts per month, requiring 8 touch points</p>	
<p>Time: Each contract takes 30 hours of staff time</p>	
<p>Process is cumbersome and confusing → confusion leads to errors and lag in productivity</p>	

Box 3:

Box 3 is where we bring down our MEAT and replace it with what we hope for in the future.

3	Future State
<ul style="list-style-type: none"> • <i>Describe attributes of what should be happening – Quantitative & Qualitative</i> <ul style="list-style-type: none"> • Money • Errors • Amounts • Time • <i>Graphically present picture of Future State</i> 	

3	Future State - EXAMPLE
<p>M: \$48,000 per month, @ \$800/contract @ \$40/hour, with 60 contracts/month and 20 hours/contract</p>	
<p>E: 0% done incorrectly—no rework; overall quality is higher</p>	
<p>A: Produce 60 contracts per month, requiring 4 touch points (produce more contracts due to faster process, no rework)</p>	
<p>Time: Each contract takes 20 hours of staff time each</p>	
<p>Process is streamlined and straight forward</p>	