

# Creating a Culture of Improvement

-by Jay Watson

“The inculcation of improvement initiatives starts with planning!”

**A strategic plan is a document used to communicate with the organization the organizations goals, the actions needed to achieve those goals, and all of the other critical elements developed during the planning itself. It should be assessed, reviewed and updated quarterly.**

**Strategic management is the comprehensive collection of ongoing activities and processes that organizations use to systematically coordinate and align resources and actions with mission, vision, strategy, tactics, objectives and goals throughout an organization. These [layers of on-going activities...] should be assessed, reviewed and updated weekly or monthly.**



*Strategy is a process by which a collective defines its intent to successfully achieve its fundamental purpose.*

## Mission Vision

"Mission Statements" and "Vision Statements" do two distinctly different jobs.

A **Mission** Statement defines the organization's purpose and primary objectives. Its prime function is internal – to define the key measure or measures of the organization's success – and its prime audience is the leadership team and stockholders.

**Vision** Statements also define the organizations purpose, but this time they do so in terms of the organization's values rather than bottom line measures (values are guiding beliefs about how things should be done.)



### EXAMPLE OF MISSION STATEMENTS:

#### Our Mission

Our roadmap starts with our mission, which is enduring. It declares our purpose as a company and serves as the standard against which we weigh our actions and decisions.

- To refresh the world ...
- To inspire moments of optimism and happiness...
- To create value and make a difference.



#### Individual Highlights: Statements (examples)

Mission	1
Vision	2
Strategy	3
Tactics	4
Objectives	4
Goals	5



**EXAMPLE OF VISION STATEMENTS:**

Feeding America: A hunger-free America. (4 words)

Human Rights Campaign: Equality for everyone. (3)

National Multiple Sclerosis Society: A World Free of MS (5)

Alzheimer's Association: Our vision is a world without Alzheimer's. (7)

Habitat for Humanity: A world where everyone has a decent place to live. (10)

Oceana seeks to make our oceans as rich, healthy and abundant as they once were. (14)

San Diego Zoo: To become a world leader at connecting people to wildlife and conservation. (12)

Ducks Unlimited is wetlands sufficient to fill the skies with waterfowl today, tomorrow and forever. (13)

NPR, with its network of independent member stations, is America's pre-eminent news institution. (12)

Teach for America: One day, all children in this nation will have the opportunity to attain an excellent education. (16)

ASPCA: That the United States is a humane community in which all animals are treated with respect and kindness. (18)

Cleveland Clinic: Striving to be the world's leader in patient experience, clinical outcomes, research and education. (14)

Goodwill: Every person has the opportunity to achieve his/her fullest potential and participate in and contribute to all aspects of life. (21)

WWF: We seek to save a planet, a world of life. Reconciling the needs of human beings and the needs of others that share the Earth... (25)

Save the Children: Our vision is a world in which every child attains the right to survival, protection, development and participation. (18)

Leukemia & Lymphoma Society: Cure leukemia, lymphoma, Hodgkin's disease and myeloma, and improve the quality of life of patients and their families. (18)

Boy Scouts of America: To prepare every eligible youth in America to become a responsible, participating citizen and leader who is guided by the Scout Oath and Law. (24)

Clinton Foundation: To implement sustainable programs that improve access worldwide to investment, opportunity, and lifesaving services now and for future generations. (19)

VFW: Ensure that veterans are respected for their service, always receive their earned entitlements, and are recognized for the sacrifices they and their loved ones have made on behalf of this great country. (32)

Special Olympics: To transform communities by inspiring people throughout the world to open their minds, accept and include people with intellectual disabilities and thereby anyone who is perceived as different. (28)

*The best visions are  
inspirational,  
clear,  
memorable, and  
concise!*



**HERE'S A 'CONTINUOUS IMPROVEMENT MENTALITY' [BETTERMENT]  
EXAMPLE...**

Mission:

**Empower employees to contribute improvements.**

(Minimize waste of working on the wrong things)

- EMPLOYEES
  - Involved
  - Aligned
  - Empowered
  - Accountable
  - Rewarded

Vision:

**Exactly and instantaneously satisfy customer demands.**

(Customer pulls and Value flows)

- PULL
  - To customers' wants
  - Output to their exact specification
  - Link all activities to the value chain
  - Synchronize activities to customer signal
- FLOW
  - Continuously transform value without stopping
  - When flow stops, value creation stops

## Strategy

1. A method or plan chosen to bring about a desired future, such as an achievement of a goal or, solution to a problem.
2. The art and science of planning and marshalling resources for their most efficient and effective use.

**EXAMPLE OF STRATEGY STATEMENTS:**

***Utilize continual improvement (Kaizen) and breakthrough innovation (Kaiku) regarding the relentless pursuit of perfection for SAFETY, QUALITY and SPEED OF EXECUTION.***

*Perfection, everyday! [Deliver customized value, at the right time, no waste or variability]*

- *Product Quality*
- *Process Quality*
- *New Product Introductions*
- *Learning*



**Tactics**

Ways of doing things so as to be an advantage.

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*EXAMPLE OF TACTICS STATEMENTS:*

**Employ Improvement Initiatives!**

- Visual Workplace
- Industrial Housekeeping
- Cellular Production
- Balanced Flow
- Fitness for Use
- Single Piece Flow
- Quick Changeover
- Total Productive Maintenance
- Skills Diversification
- Compact Layout
- Supply Partner Networking
- Pull and Kanban Control
- Quality focus by elimination of variation
- Team-based workforce participation
- Suggestion Sytem
- Rewards and Recognition

**Objectives**

Specific results that a person or system aims to achieve within a timeframe and with available resources.

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*EXAMPLE OF OBJECTIVES STATEMENTS:*

- |  |                                    |
|--|------------------------------------|
| - Half the hours of effort for same result         | - Half the defects/ rework         |
| - Half the floor space                             | - One-tenth the lead time          |
| - Eliminate Annual Physical Inventory              | - Eliminate Labor reporting        |
| - Eliminate Production Orders                      | - Eliminate Detailed Dept. Budgets |
| - Create budgets by VALUE STREAM                   | - Halve number of cost centers     |
| - Set targets for costs                            | - Eliminate multiple sign-offs     |
| - Reduce overhead (S,G&A) by 50%                   | - Post mat'l cost ahead of time    |
| - Empower each cost center w/ Purchasing "P" cards |                                    |
| - Reward enthusiastic employees                    |                                    |



**Goals**

Actions taken for an observable and measurable result, having effect upon one or more objectives.

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*EXAMPLES OF GOALS STATEMENTS*

**Kristy, by June 30<sup>th</sup>, 20xx develop 5S audit form, conduct 5S introduction with the team and perform 1<sup>st</sup> S in shipping department. Post results on bulletin board. Perform 2S activities by July 15<sup>th</sup>**

**Daniel, by May 20<sup>th</sup>, 20xx with department team establish shadow boards, tooling and POU for the machine shop.**

**Steve, by August 1<sup>st</sup>, 20xx, write a first draft procedure for the Certified Operator Process.**

**Andrew, by May 1<sup>st</sup>, install an active 'Kanban' system in assembly area with simple Pull Signals (lights, tickets, tags) Pilot and report learning.**

**Jay, by August 5<sup>th</sup>, train up and certify 5 Kaizen leaders. (Completed projects...)**

etc

**If you have a QMS in place – tie goals to paragraphs and requirements:**

**John, by 1/31/xx – Develop and publish C.I. goals linked to 'Customer Satisfaction' (1.2)**

**Dominic, by 1/31/xx – Form multi-functional service teams for key customer accounts (3.2)**

**Susan, by 2/01/xx – Develop and publish Human Resource training/development plan, based on skill gaps and define a 1, 3 and 5-year curriculum.**

**Jay, Base the Standardized Problem Solving approach on the DMAIC phases utilizing the JDI / A3 report format. (3.3) Train all teammates in issue identification/resolution and problem solving by June 30<sup>th</sup>, 20xx**

**Maria, by 3/31/xx – Publish safety training and awareness (promotions), audit schedules, conduct audits and communicate results and corrective actions. (6.9)**

etc



## Questions to ask at each step... from Giant Leap Coaching and Consulting

### Order of Organizational Statements

#### VISION

What will your company look like in 3-5 years?  
 What will it be famous for?  
 What products or services will you offer?  
 What will be your biggest achievements?

#### MISSION

Why do we exist?  
 What contribution will we make?  
 What higher good do we serve?

#### VALUES

What values define how our company works?  
 How will we behave toward each other?  
 How will we behave toward our client/customer?

#### STRATEGY

What is our competitive strategy?

**Objective** - What single precise objective will we pursue over the next 3-5 years? (specific, measurable, and time bound)

**Scope** - Who is our customer? Who is NOT our customer? Where is our customer?

**Advantage** - What is our differentiation? Why should clients hire us, or buy from us? What is our value proposition? How do we uniquely deliver value to our clients/customers?

#### PERFORMANCE METRICS

What specific, measurable results define success?  
 How will we implement our plan and measure results?

Learn more at:

<http://giantleapcoachingandconsulting.com/vision-mission-values-and-strategy/>

### A note on Values...

**VALUES** are the guiding principles that help to define how the organization would behave.

Some examples of **core values** for a company might include:

**A commitment to sustainability and to acting in an environmentally friendly way.** Companies like Patagonia and Ben & Jerry's have environmental sustainability as a core value.

**A commitment to innovation and excellence.** Apple Computer is perhaps best known for having a commitment to innovation as a core value. This is embodied by their "Think Different" motto.

**A commitment to doing good for the whole.** Google, for example, believes in making a great search engine and building a great company without being evil.

As you can see, many of the core values that companies have are similar to those that individuals might choose as guiding principles as well.

Companies may also have negative core values as well. Companies that are solely motivated by profit, such as tobacco companies who lied to their customers about the dangers of smoking, may have been driven by core values of self-interest and an overly strong profit motive.

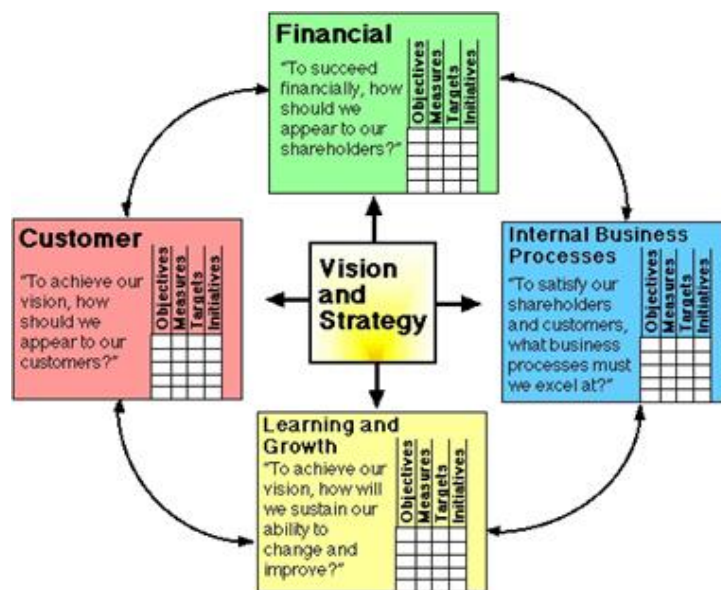


## A Balanced Scorecard

Kaplan and Norton describe the innovation of the balanced scorecard as follows:

"The balanced scorecard retains traditional financial measures. But financial measures tell the story of past events, an adequate story for industrial age companies for which investments in long-term capabilities and customer relationships were not critical for success.

These financial measures are inadequate, however, for guiding and evaluating the journey that information age companies must make to create future value through investment in customers, suppliers, employees, processes, technology, and innovation."



Adapted from Robert S. Kaplan and David P. Norton, "Using the Balanced Scorecard as a Strategic Management System," Harvard Business Review (January-February 1996): 76.

*Balanced scorecard methodology is an analysis technique designed to translate an organization's mission statement and overall business strategy into specific, quantifiable goals and to monitor the organization's performance in terms of achieving these goals.*

Learn more at:

<http://searchcio.techtarget.com/definition/balanced-scorecard-methodology>


***"Crawl before you can walk."***

Kaplan and Norton



## Change Your Plan / Plan Your Change... (See things differently)

-Adapted from Dr. Bill Bellows

	<b><u>“Transactional”</u></b> <b>(Acceptable)</b>		<b><u>“Transformational”</u></b> <b>(Desirable)</b>
<b>Vocabulary:</b>	- Safe, OK, Fast		- Safer, Better, Faster
<b>Perspective:</b>	- Everything is absolute (discrete)		- Everything is continuous
<b>Behavior:</b>	- Reactive		- Proactive
<b>Focus:</b>	- Problems		- Opportunities
<b>Activity:</b>	- Fix		- Improve
<b>Requirements:</b>	- Meet expectations		- Exceed expectations
<b>Productivity:</b>	- Specifications limits		- Focus on TARGET
<b>Attitude:</b>	- Knowledge viewed as power (hoarded)		- Knowledge is be shared

Improvement, Plan on It!





## Learning Model for Continuous Improvement Indoctrination/ Sustainment

-by Albert J. Perotti, III

### COMMON CORE (DMAIC/ Kaizen/ TOC)

<b>A3 Thinking</b>	4 hour workshop	Introduction to the DMAIC methodology Problem Identification/ Issue resolution Flowcharting/ Root Cause Analysis
<b>Kaizen Facilitation (Week 1)</b> [Waste reduction]	4 ½ day workshop	Project oriented/ discrete event/ focus on the cost of waste Value added work/ MUDA/ Visual Management Detailed Process Mapping/Analysis
<b>‘Green Belt’ (Week 2)</b> [Variation reduction]	4 ½ day workshop	Process oriented/ focus on flow/ Theory of Constraints (TOC) Value Stream Mapping/ Data Analysis/ MURI, MURA Focusing Steps of TOC / Production Smoothing, Load leveling

### SPECIALITY DEVELOPMENT (‘Black Belt’)

<b>Systems Sustainment</b>	Introduction to Lean Leadership/ Creating a Kaizen Culture Elements of Process and Operational Excellence Hoshin Planning/ Goal alignment/ Development/ Promotion
<b>Sponsor/Champion</b>	Business Interface/ Project Selection/ Pace Mediation Results implementation/Rewards/ Recognition “Culture” – Design/Development/Sustainment
<b>Change Management</b>	Change acceleration is a process to ease acceptance of new ideas
<b>Six Sigma</b>	Measure defects in a process and ... (with rigor and discipline) systematically figure out ways to reduce them to zero
<b>Lean Enterprise</b>	Providing value in the eyes of the customer
<b>Theory of Constraints...</b>	emphasizes the importance of managing constraints. A constraint or bottleneck is anything that prevents you from getting more of what you want.



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***Employ  
Improvement  
Initiatives!  
(Hope is not a strategy)***

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## ***KUDOS for the Jaybird!***

- by Workshop Participants

**Reviews from Kaizen Facilitation week:**

**“Overall I think the class was outstanding and a good first step towards saturating the corporate culture with Lean thinking.**

**As I mentioned in class, I think we all see ourselves as problem solvers and this course provided me with a methodology and an understanding that I wish I had learned a decade ago.”**

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**“Once again, thank you for putting together this learning event.**

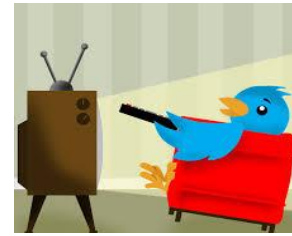
**It was informative, practical, fun and a great networking experience. I look forward to putting these tools into action.”**

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**“This class was put together well. Jay did a good job using his own experiences to convey the theory or idea.”**

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**“Thanks for a great class. I learned a lot and had a great time working with everyone. It was very informational and I feel I have a good grasp on the Kaizen process that will allow me to complete my project.”**



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### ***About Our Approach ...***

Free Lean Enterprise materials on the internet!

