The challenge of change when implementing lean

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Timeline of lean is CSO

- First lean projects begin: 2011
- Lean Programme: 14 projects: 2012-2013
- Review of lean programme: 2013
- Lean programme paused: 2014
- New CSO Strategy Focus on BPI: 2015
- Quality unit driving BPI: 2016 to date
Evolution of lean in CSO

• External driver of reduced resources during financial crisis - can we systematically explore how we can redesign our operations to do ‘more with less’ or ‘the same with less’?

• Other external drivers from key users like Eurostat – improve the timeliness / quality of some key outputs while meeting the demand for new outputs

• Researched BPI methodologies - felt Lean Six Sigma a very good fit for CSO
Summary of what we did

• Proof of concept - process mapping of 3 different survey operations - showing what is possible when you understand the ‘as is’

• Careful selection of 1st wave of LSS projects – you want the process to succeed! Don’t go for the ‘worst’ problem you have initially!

• Very careful re the message – “it’s about the process, not the person” and “It’s all about improvement, not about blame”.
Application of LSS in CSO – how we did it and what we found

• Project selection - working with the Quality Manager, managers and senior management team suggested areas for review
• Very important = problem identification and definition + clear project scope
• Training – 5 days introductory training in LSS / business process improvement (external trainer) with in-built review days to monitor progress against project schedule (around 12-14 weeks)
• Hands on Coaching and mentoring from Quality Manager – acted as independent presence in the project. A ‘fresh pair of eyes’ looking at current process operations
• Each project went through the DMAIC structure in a systematic manner with no rushing to judgement and a strong emphasis on data underpinning analysis of the problem and solution identification and prioritisation
What we found - TIMWOODS

Areas of waste that we found:

• **TRANSPORT** - unnecessary movement of data: data moving on a regular basis between different IT systems and different layers of staff, movement of paper questionnaires.

• **INVENTORY** – maintaining excess quantities of data: large number of datasets and programmes leading to process complexity, lack of clarity and process risk.

• **MOTION** – unnecessary movement: hunting for data on the system,

• **WAITING** – not working while waiting: data capture being batched into large groups before data cleaning; waiting for business register updates; decisions from managers.
• OVER-PROCESSING – doing more work than is really necessary: over-editing (data checking). A lot of editing happening with no real impact on final aggregates

• OVER-PRODUCTION – producing more than is needed: collecting variables which are not used; maintaining datasets which will not be used. **This is the worst type of waste since it tends to drive all other wastes**

• DEFECTS – producing products/services that do not meet customer expectations: incorrect addresses for post-outs, quality of sampling frame (birthing/death process on business register)

• SKILLS – waste of staff intellect & skills: Staff resources and skills not being properly utilised. Work drifting up to management levels (sometimes a function of other wastes above, eg inventory levels)
Some benefits

<table>
<thead>
<tr>
<th>Retail Sales</th>
<th>Quarterly Earnings</th>
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<tbody>
<tr>
<td>• Index published earlier – now</td>
<td>• Timeliness improvement – saving 3 weeks on prov release</td>
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<tr>
<td>within 4 weeks of end of ref</td>
<td>and more on final release</td>
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<td>month (instead of t+8 weeks)</td>
<td>• Staffing of Survey reduced by 42% reflecting a cost saving</td>
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<td>• Cost reduction – running costs</td>
<td>of €250 k p.a.</td>
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<td>halved (saving €170k)</td>
<td>• Reduction in the no. failed edits</td>
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<td>• Improvement in response rates</td>
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Followed by…….
If it is all going great why do we feel so uncomfortable?

• 14 LSS projects completed - 80 staff trained. Seems to be going well, yet....
• Follow through on project recommendations uneven – are improvements being sustained?
• Project selection - are we getting the right ones? Are the projects all coming from the same areas of the Office?
• Issues with identification of new projects
• Are we happy with the role senior management are playing in the process – can we make it stronger?
• Are we happy that our current model can sustain over time – that it won’t wither on the vine: “do you remember when we tried LSS for a few years?....”
Feedback received

- Lack of clarity on purpose of lean – seen as threat rather than opportunity
- Language not understood – technical
- Here comes more change !!!!!
- Burden on “business as usual” – no support
- No sense of urgency – culture
Lean Programme paused

- CSO Statement of strategy updated
- CSO 2020 launched
- New focus on improving process quality, output quality, customer service and methodology
- Major organisational change
- Lean programme had to adapt and learn from the past
New Approach

• New support areas formed in 2016 - Quality and Methodology – multi disciplinary team
• Keep impact and burden on day to day business to a minimum
• Process mapping and process review projects – identify and implement improvements
• Set common baseline and improve consistency using GSBPM
• Build element of governance into changes
New Approach

• Still very much a work in progress
• Need additional supports for key elements of:
  – Assurance
  – Governance
  – Communications
  – Engagement
  – Future work/projects
Lessons learned by CSO

• Senior Management need to invest in outcome – both strategically and visibly
• Governance is essential if the change and improvement is to be maintained?
• Measurement is key for sustainability
• Sell the benefits – effort v reward
• Provide real support to survey owners so business as usual continues
Lessons learned by CSO

• You can never communicate enough – but people still have difficulty in hearing the message
• Pick the correct projects to ensure success initially (but remember to celebrate also)
• Take a risk based approach – e.g. GDPR
• Deal with resistance early
• Reinforce change and improvement through training and continuous engagement
Most important lessons learned

• Remain positive
• Be determined and adaptable
• Have (or develop) a sense of humour or a thick skin

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