BRIDGING THE CONTINUOUS IMPROVEMENT GAP

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In the past two decades, thousands of companies have implemented continuous improvement (CI) methodologies in an effort to eliminate waste, reduce response time, simplify the design of both products and processes, and improve quality and customer service. The primary objectives of these programs are to reduce operating cost, improve customer satisfaction (increase revenue), and drive a cultural change. The most common CI initiatives utilize either Lean, Six Sigma, or a combination of each. Without a governing CI organization a significant number of companies struggle with these initiatives. The variance in implementation and execution of these initiatives is wide but organizations experience similar failures. The more common cause for failures is the lack of organizational buy-in from leadership to the floor and the inability to show tangible results. Both are deadly to a Lean or Six Sigma organization and have caused many to lose faith in their value.

Lean and Six Sigma are great tools when used appropriately but by themselves, they are not the 'magic' bullet that many companies hope will drive cost out of their organizations and decrease inefficiencies.

There are some significant gaps that must be filled in order to facilitate and amplify the success of these and other CI initiatives. These gaps are (1) poor alignment with organizations strategy, (2) overutilization, (3) difficulty in changing culture, and (4) absence of an execution process. These four gaps will be addressed along with a methodology that can help to bridge them, Flawless Execution℠.

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Flawless Execution is an organizational development and improvement model derived from proven methodologies used by elite military forces. In business, the model is used to accelerate individual, team, and organizational performance.

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Flawless Execution provides the framework for the development of an adaptive strategy, the creation of relevant projects/missions, and an Execution Rhythm℠ that drives the organization toward a clear and simple, yet High Definition Destination (HDD). The model also incorporates an Execution cycle and organizational change that strives for 'flawless' execution, a term analogous to six sigma (3.4 defects per million opportunities) but used in the context of execution rather than process improvement. Some of the concepts used by the Flawless Execution Model were successfully implemented during the first Gulf War and continue to bring home many of our elite military officers who literally depend on these concepts for their survival.

The consolidation of these principals and translation to corporate processes was the brainchild of Jim Murphy, the founder and CEO of Afterburner, Inc. His organization of 50 fighter pilots and other elite military officers have trained thousands of corporate executives in the Flawless Execution model. All of them take away a practical tool that can be immediately implemented from the boardroom, to the sales call, and on the shop floor to drive the organization toward a common future state.

Continuous Improvement methodologies are generally tactical tools used to improve a particular process. A team can significantly reduce the cycle time of a process or cut its defects in half and consider the project successful.

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Though successful, sometimes these projects fail to move the needle of the organization in the right direction. They either fail to show up on the P&L or do not significantly contribute toward driving the corporation to its strategic future.

There are components in the Define phase of Six Sigma that seek to align a project with the customer or organizations CTQ's (Critical to Quality). Tools such as QFDs' (Quality Functional Deployment) and CTQ drilldowns are often used for that purpose. Many Black Belts (BB) and Master Black Belts (MBB) would argue that this is not a particularly strong area in their CI organization. More often than not, projects are either dictated from headquarters or MBB's/ BB's work from the bottom up to attempt to show how their project relates to the objectives of the organization. In either case, there is rarely a standard methodology used to ensure that the CI team is working on projects that will help the organization reach its HDD.

Utilizing effects-based strategy development and the military concepts of collaborative planning and systems analysis, Flawless Execution works from the Future backwards to determine the right projects to tackle. The Flawless Execution model utilizes a methodical, practical, and metrics-driven approach to develop the HDD of the organization. This HDD is what the company will look like in 2-5 years in a minimum of 5 organizational aspects ranging from finance to corporate culture. Metrics are derived for each pertinent area as a litmus test for whether or not the future state was achieved.

After the HDD is established, the Flawless Execution model requires that the team determine the key leverage points for both the Internal and External Systems. Leverage points create the biggest return on investment and significantly alter the system to the proposed future state.

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Strategic plans are developed to affect these leverage points. As a result, there is a direct line of sight between where the company wants to be in the future and the projects or missions that it needs to complete to get there. The process is practical and scalable. It can be implemented at the corporate level and in smaller business units. The end result is assurance that your strategic level plan will move the needle in the right direction. Once an organization has determined the processes that need to be improved or the plans or projects that should be executed, the next question to answer is which tool should be used. A company armed with CI resources has at its disposal a team with myriad tools to solve a variety of problems. How do you decide which tool to apply? In some cases, the existence of a CI staff answers that question simplistically. All projects or process improvement are Lean or Six Sigma projects.

This may occur for a variety of reasons. In some instances, the organization has bought in on CI, but is unclear on how to use the resources that it has so it throws them at everything. Some organizations, such as General Electric in the 90's, mandated that Six Sigma or Lean be used throughout the company in all business areas. So from their inception the CI teams are forced to validate their existence. This validation takes the form of P&L impact and project count. As a result, they scramble to make some projects Lean or Six Sigma projects when they don't require that level of rigor or discipline.

Six Sigma and Lean are comprised of a collection of tools that can be utilized for variance jobs. Some projects require 90% of the tools while others may only require 25%. This is the beauty and also the drawback of these methodologies.

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Because of their flexibility it is easier to justify application in questionable areas. If you are only using 25% of a toolkit, are you using the right tool? As the saying goes, when all you have is a hammer, everything looks like a nail. This creates several problems in an organization. The credibility of the CI program is questioned when CI teams attempt to seek CI credit for projects that didn't require their toolkit. Speed to implementation is slower when you force Six Sigma and Lean on a process.

Lean has recently become the CI tool of choice for many companies seeking to make quick changes that affect cycle time, inventory, etc. The 3-9 month cycle time of the average Six Sigma project became a roadblock when compared to a one week Kaizen event. As a whole, both Lean and Six Sigma could be creatively used to tackle most processes or projects; but are they required? Some projects or process improvements don't require statistical analysis or a team of individuals and CI experts 5 weeks including pre-work to complete.

In many organizations, particularly those less mature in CI, the low hanging fruit can be attacked with a much simpler, quicker process. In addition, mature organizations may have processes/ projects that lack the requisite data for Six Sigma or Lean, or the project may be in a less CI friendly part of the organization such as sales and marketing. In these cases, the organization simply needs knowledgeable individuals using a structured process to brainstorm and implement solutions in a day or two. Though six sigma and lean could be used; they are significantly underutilized in these instances. Flawless Execution fills this gap.

The engine of the Flawless Execution model is the Plan-Brief-Execute-Debrief cycle. This cycle is currently used by elite military officers to improve performance in the low-tolerance-for-error world of combat. The model is scalable and relatively easy to understand and implement.

The Flawless Execution Cycle® is perfectly suited for those low hanging projects in areas where Lean and Six Sigma may be too robust. The model concentrates on development of plan, communication of that plan to the executors, execution of that plan, and debriefing the actions that occurred.

The Planning segment of the cycle incorporates 6 basic steps toward developing a quick, workable plan. Similar to Six Sigma, the first step is developing a clear, measurable, and achievable objective. Next, the team brainstorms threats to accomplishing that objective and resources that can be used to achieve it. Lessons Learned from similar projects are reviewed for consideration. The team then utilizes a unique process to develop an action plan with specific accountability. This process utilizes 'out of the box' brainstorming in conjunction with outside criticism to develop a fully functional plan in a short time period.

Finally, a contingency plan is developed to handle the uncontrollable external threats to the mission that may arise. The end result of the "Plan" component is the development of a course of action to either execute projects or improve processes with minimal data requirements.

The "Briefing" component ensures that the plan is adequately communicated to the team. The "Execute" segment addresses tools needed to remove the primary barrier to mission accomplishment in today's demanding workplace, Task Saturation℠. Task Saturation is defined as the perception or reality of having too much to do without enough time, tools, and resources to accomplish the mission.

The last segment of the Flawless Execution model is the "Debrief". This phase completely differentiates the Flawless Execution Model from other continuous improvement processes. At the completion of the project, the team debriefs the actions that took place during execution.

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The Debrief is nameless and rankless and creates an environment where truth is valued over harmony. The Debrief analyzes the root causes for the major project successes and failures. Lessons Learned are developed from this root cause analysis and captured for the use of the whole organization. The Lessons Learned cycle back into the "Plan" step in future missions to close the continuous improvement cycle. Neither Lean nor Six Sigma utilize a standard debrief process to analyze project performance. The objectives are analyzed but not the process.

Organizations implement Lean/Six Sigma not only for immediate tangible benefits, but also for the cultural change management component of these CI initiatives. They seek a structured process that drives data driven decision making throughout the organization. Many hope that this culture will be embraced by all levels and trickle down from the boardroom to the shop floor. The reality, in many cases, is just the opposite.

There is one barrier that stands in the way of driving this culture change. The complex nature of these initiatives, either perceived or actual, significantly affects their acceptance throughout the organization. The tools or concepts introduced by these CI initiatives generally require that a separate team of individuals, i.e. Black Belts, Master Black Belts, Lean Experts, drive the improvements. The CI team and infrastructure can generally be very costly. That aside, the teams are considered 'separate' or outsiders. The presence of these CI teams also gives the perception that the tools are too complicated to be utilized effectively by the individual. As a result, individuals are trained extensively in 2-3 week courses to gain certification. Though needed by some organizations, other less mature CI organizations may not have the budget or sophistication to support these CI initiatives.

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More importantly, the low hanging fruit that can significantly change the organization both culturally and tangibly can be achieved with a much simpler process - a process that doesn't require a separate team of individuals to implement, but a standard and practical process that can be utilized by every individual immediately after a few days of training.

Due to the simplicity of the FLEX model, culture change is easily embraced. Employees are not intimidated by complex statistical tools or new CI jargon. The training process is shorter and less rigorous than either Lean or Six Sigma. Most importantly, the tools can be immediately utilized without the creation of a 'separate' team dedicated to CI.

Six Sigma and Lean provide a great deal of structure and detail to enable a CI practitioner to determine the solution to a given problem. In Lean, waste may be identified; the analyze phase of six sigma will lead to the critical factor or x. But the rigor generally stops there. The implementation phase or the improve phase in the DMAIC process works on the assumption that the execution in implementing the change is relatively simple. Many projects fail because the solutions were identified but not effectively implemented. Some solutions are complicated enough that some standard process should be applied for implementation. Flawless Execution provides a framework that increases the chances that the solutions will be implemented with minimum error. It adds rigor and discipline of thought to the execution of CI solutions.

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Continuous Improvement tools such as Six Sigma and Lean have significantly contributed to the success of many modern companies. Still other companies have failed in the implementation of these tools. The simplistic, execution-focused approach of the Flawless Execution model can shore up some of the gaps in existing CI programs as well as serve as the foundation for improvements in others.

The versatility and scalability of the model is also its strength. Flawless Execution can be utilized in business areas that are generally 'unfriendly' to Lean and Six Sigma. Whereas Lean is a process that produces quick results, it is not applicable to all processes. Flawless Execution is quick to produce results and useful in virtually every process. The Flawless Execution toolkit can prove to be an invaluable asset to any Continuous Improvement Initiative.

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Afterburner Inc. is a performance improvement training firm that empowers organizations around the world with the simple, scalable methodology of Flawless Execution. A team of more than 60 current and former elite military professionals, Afterburner has ranked on the Inc. 500/5000 List of America's Fastest Growing Companies four times and has been featured in leading publications like *Forbes, The Wall Street Journal, Businessweek, Newsweek, Slate* and *Sports Illustrated,* and has appeared on CNN, ABC, CNBC, Fox News, HLN and Bloomberg News.

To learn more about Afterburner's innovative approach to building elite teams with Flawless Execution, visit www.Afterburner.com or call (888) 982-6764.

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