

How to Achieve Bottom Line Results with Lean

It's been our experience that sustaining bottom line improvement depends on how well the efforts match the needs of the business and deal with the technical and human issues that arise along the way. While this may seem like common sense, it isn't common practice.

In order to develop the focus and level of support required for sustained improvement and cultural change, there must be a cause and effect relationship between the improvement activities and the overall business objectives. Unfortunately, the reality is that too many organizations approach change by utilizing tools like 5S or set-up reduction without first deciding what they want to achieve. This usually results in localized improvements that are difficult to sustain and little, if any, bottom line impact.

The good news is that achieving measurable improvement and cultural change doesn't have to be as exhausting and frustrating as it oftentimes becomes.

The key is to design an improvement solution that will achieve the business needs. One that utilizes all of the necessary tools and training needed to get results and embed new behaviors into the culture. A solution that deals with all of the issues, both technical and human, that the organization will encounter as they make changes to improve bottom line performance.

At PDG we help our clients achieve success by designing solutions and providing the tools, training, information, and coaching they need. That's all we do and we've been doing it successfully with organizations as small as \$2MM in annual sales and as large as the State of Minnesota. We've helped clients implement Lean, Six Sigma, and cultural development strategies in virtually every industry and business function, including manufacturing, administration, design, service, human resources, customer support, marketing, sales, finance, and others.





As with any approach to continuous improvement, ours isn't for everyone.

We know that you would like to do this yourself, and are probably concerned whether you will get what you pay for if you do get help from the outside. We understand this, and as a result, have structured our approach to help ease your concerns.

On the following page, you will see an overview of the process we use with new clients. Our goal in this process is simple; to develop a positive relationship with our client and design a solution that meets their needs. We feel that we can only do this if we facilitate this process at no charge. This way we can spend as much time as we need getting information and designing a solution that will work. In short, we will listen to your needs, design a specific solution to meet them, and present the solution to you at no cost or obligation. From there, you decide what to do; you can work with us to implement the solution, take it and do it on your own, or do nothing. It's totally up to you. All that we ask is that if you choose not to proceed with our solution, you spend a few minutes helping us understand where we failed to meet your needs.

For more information you can call us at 866-404-7221 or visit us on the web at www.pdgconsultants.com



Introduction Meeting

Objective	Understand what each other does
Who is involved from client?	Key contact
Timeframe	1-2 hours
Deliverables	Decision regarding value of a Y meeting

Y Meeting

Objective	$Y = f(x)$ Understand client's issues
Who is involved from client?	Management team
Timeframe	2 hours
Deliverables	Prioritized list of the Ys (issues)

Evidence and Impact

Objective	Understand the evidence, impact, context and constraints of the issues
Who is involved from client?	Experts on issues
Timeframe	1-2 days
Deliverables	Well-understood, quantified Ys (issues)

Solution Design

Objective	Design solutions for all relevant issues $Y = f(x)$
Who is involved from client?	Completed by PDG team
Timeframe	1-2 weeks
Deliverables	Solution (Xs) with cost and ROI

Presentation

Objective	Present solution(s) <ul style="list-style-type: none"> -Improvement activities -Organizational learning -Leadership development
Who is involved from client?	Management team
Timeframe	1-2 hours
Deliverables	Solution for client to evaluate

Decision

Objective	Decision on whether to proceed with solution(s)
Who is involved from client?	Management team
Timeframe	As long as needed
Deliverables	Yes, no, or modify

Solution Implementation

Objective	Areas of focus <ul style="list-style-type: none"> -Improvement activities -Organizational learning -Leadership development
Who is involved from client?	Involve all of the organization
Timeframe	Varies (1-40 days/quarter)
Deliverables	ROI

Review and Planning

Objective	Review Ys (old and new)
Who is involved from client?	Management team
Timeframe	1-2 days
Deliverables	Feedback modifications to the plan

Agenda

A typical agenda of the day is to start with a tour and then meet 1-2 hours with your leadership team to generate a prioritized list of issues. We then spend the rest of the day gathering data to understand the impact of those issues. During this time it is beneficial to have you available as well as access to various leaders and experts, including someone who can help us assess the financial impact of those issues. This is to ensure that the solution we design provides an attractive return on investment for your organization. The meeting goals and agenda are detailed below.

Y Meeting Goals:

- Introduce your company's Leadership and PDG team members to each other and their respective companies.
- Understand the top 3-5 problems, issues or unrealized opportunities which your company is facing.
- Obtain information on those 3-5 issues so that we can design a solution which meets your needs.

Y Meeting agenda

Day 1

- 8:00 Tour of your company
- 9:00 Introductions and review of Agenda
- 9:15 Brainstorm your company's issues, problems and unrealized opportunities
Prioritize list of top 3-5 issues
For each issue: How is it measured?
What is it now? (Current)
What do you want it to be? (Desired)
What is the value of the difference between current and desired?
- 11:00 Observations to get more details of each issue
- 12:00 Lunch (PDG will break for lunch to discuss what we've seen so far)
- 1:00-5:00 Further observations and Deep Dive into issues

Day 2

- 8:00 -5:00 PDG to be on-site collecting data and designing a solution.

After leaving your company, we will work on a solution design for your company off-site. We may have some additional follow-up questions via phone or email or may need to make another visit to gather more information. Typically we'd like to schedule a follow-up visit to present our findings and proposed solution design about two weeks after the Y meeting.

