

*Manage Your Process Improvement
Strategy With Meaningful Metrics and KPIs*

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Hypotheses / Quotes?

- “You can’t improve what you don’t measure”
- “If you can’t measure it, you can’t manage it”
- “What you can measure, you can improve”
- “Not everything important is measureable, and not everything measureable is important”

Dilemma

What if you are measuring the wrong things?

Story

150 Problem Solving Sessions

My objectives for today

- Get to know me
- Get to know my “brand” / “method”
- Learn something new
- Gain a new perspective
- Start a conversation
- Get some feedback
- Make some new connections

Introduction

- BSME – Purdue University, West Lafayette, Indiana
- MBA – Loyola University, Chicago, Illinois
- GB / BB – The George Group (Accenture)
- MBB – Villanova University
- Medical Device / Food / Pharma “Manufacturing Guy”
- Use of OpEx tools when responding to FDA 483 Observations
- Started Rosenthal & Associates in 2010
- Started Consulting for GSK in 2012 (Legal Operations)
- Joined GSK as an employee in 2014
- Became Director in 2015

In my free time

- Read
- Attend a few conferences a year
- Present a few times a year
- Write articles
- Published a chapter in a Law Book in 2015
- Learn
- Meet great people

My personal vision / mission

- Simplify whenever possible
- Always focus on the Customer
- Share learnings
- Be Open Minded and learn from others
- Apply OpEx (Manufacturing Principles) to Transactional Processes

Today's conversation

- Learn effective tactics for tracking metrics and performance
- Dashboards: the critical few indicators
- Changing the “reds” to “greens”:
 - why & how
 - root cause & culture

The audience

- Yellow Belts / Champions / Sponsors?
- Green Belts?
- Black Belts?
- Master Black Belts?
- Leaders?
- Doers?
- I have no idea what I am doing here today?

Framework for BI / CI Success

- Strategy (Deployment)
- Structure (Resources)
- Behavior (Culture)
- Results (Measurable and non-Measurable)

Results

- Results are shown through the use of Metrics & KPIs
 - KPIs are metrics but metrics are not necessarily KPIs
 - Engineers might call this a “Vector”
 - number & direction (comparison)
- The Critical Few should tell the simple story:
 - “Are We Winning?”

Attributes to Metrics / KPIs

- Meaningful
- Actionable
- Drive the right behavior

The Critical Few

- Dashboards / Balanced Scorecards
 - Financial
 - Conversion costs
 - Labor
 - Overhead (direct & indirect)
 - Process
 - Throughput / yield
 - Waste
 - Cycle time
 - OTD

The Critical Few (more)

- Others:
 - Supplier Performance
 - Quality
 - On-Time Delivery
 - RFT (Right The First Time)
 - Quality
 - Speed
 - Turnover (Employee Retention)

The Critical Few (even more)

- Others (my personal favorites):
 - *NRR (No Review Required)*
 - *NMR (No Meeting Required)*

Discussing Metrics / KPIs

- Operational Definitions
 - Does “everyone” understand the metric and why it is important?
 - Does “everyone” understand the levers to the metric
 - $Y=f(x)$
- Alignment
 - Does the metric align to strategic objectives
 - Are all groups properly aligned to those objectives

Reds & Greens

- What does a “Red” mean?
- How do we talk about “Reds”?
 - Blame? Blameless?
 - People? Processes?
 - Fishbone (7-M’s) / 5-Whys
- What is our “Red Culture”?
- What is the impact of “Greens at any cost”?

Problem Solving

- Why do we do problem solving?
 - Turning the reds to greens
- Many teams & leaders are not good at problem solving
 - Culture & Behavior
 - Leaders are where they are because of individual success not team success
 - Problem statements: where it all begins
 - Not jumping to solutions / conclusions



Jump to Conclusions

???	JUMP AGAIN	STRIKE OUT
COULD BE	LOOSE ONE TURN	YES!
NO!	ACCEPT IT	GO WILD
ONE STEP BACK	THINK AGAIN	MOOT!

Consequences / Impact

- Not problem solving in the proper way
- Not developing proper solutions to address the root cause
- Not pulling through or sustaining the changes
- Have not changed the process to become the new way of working (WoW)

Solving for the right thing

- Appropriate follow-up
 - Single data points vs. trends
 - Leading & Lagging indicators
- Being flexible enough to change when the solution isn't getting the desired effect
 - Eliminating “stubbornness” to drive the strategy forward

Closing / Summary

- Framework
- Attributes
- Alignment & Communication
- Results / “Are We Winning”?
- Turning the “Reds” to “Greens”
- Proper Problem Solving
- Repeat

Continuing the conversation

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Bibliography



References

Bibliography