



NSSC Continuous Improvement Implementation Strategy

Continuous Improvement Team

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Background

- A disciplined approach to continuous improvement is a distinguishing characteristic of a mature SSO
- Corporate Executive Board Shared Services Roundtable, Fostering Continuous Improvement in Shared Services, Survey Results Review, October 14, 2009
 - “While many of the major savings associated with the creation and developments of a Shared Services organization are related to large re-engineering efforts and systems implementation projects, significant savings can continue to be realized through a well-designed continuous improvement program. The challenge is to properly rollout such a program so that an actual change in mindset takes place within the Shared Services employees.”
 - 67 participating companies including: Red Cross, Caterpillar, Citigroup, Chevron, Cummins, General Mills, GMAC, Intel, Apple, Microsoft, Walmart, MillerCoors, Nestle’s, Phillip Morris, Experian,
 - Key findings
 - » 59% believe that continuous improvement is critical to the overall success of the shared services organization.
 - » 71% have implemented a continuous improvement program within Shared Services or at

Background (continued)

- 27% require all shared services employees to undergo continuous improvement-related training
- 20% offer optional training to all shared services employees
- 55% indicate they have either significantly or extensively established a continuous improvement mindset at their SSO
- 16% were very satisfied with the results of continuous improvement. 41% were somewhat satisfied with the results.
 - » Implementation/execution is the difference between success and failure

Background (continued)

- The NSSC's growth stages
 - Transition
 - Stabilization
 - (Continuous) Improvement
- SLT approved adoption of the L6S framework to create and sustain a continuous improvement culture
- L6S's emphasis on process efficiency, customer feedback and data-driven decisions makes it a good fit for the shared services business model
 - L6S is ideal for high-volume transactional activities
 - L6S tools such as *value stream mapping* and *voice of the customer* work for low-volume, high-touch processes

Background (continued)

- The Continuous Improvement Team was tasked with recommending a continuous improvement implementation strategy
- NSSC's L6S Continuous Improvement Program will
 - Improve customer satisfaction
 - Reduce operating costs or reduce per-transaction costs
 - Free up resources that can be redirected to new business or expanded scope
 - Improve quality
 - Reduce cycle time

NSSC'S L6S Implementation Strategy

- L6S roles and responsibilities are clearly defined and understood
- Just in time training at a level appropriate for the employee's involvement
- L6S governance structure for project selection, oversight and validation
- L6S program operates in tandem with the NSSC's capital investment process and integrated priority project procedures
- L6S program operates in tandem with the employee suggestion program
- Not all continuous improvement initiatives meet the criteria for or rise to the level of a formal L6S project
 - Employees must be encouraged to use L6S tools and projections to accomplish everyday work
- B&A validates formal L6S projects ROI assumptions and projections

NSSC's L6S Implementation Strategy (continued)

- Formal L6S projects are documented and project documentation is archived
- B&A validates cost avoidance or savings for completed projects before they are accepted
- Recognition and rewards will encourage employees to perform continuous improvement activities
- L6S process improvements projected / expected results are compared to actual savings / actual results

Governance Structure

- NSSC/ SP & CS Senior Leadership Team
 - Endorses and promotes the L6S initiative
 - Ensures adequate resources
 - Approves L6S governance structure and guidelines
 - Approves selection of L6S Experts
 - Aligns L6S with Agency strategic goals and the NSSC Balanced Score Card
- L6S Board
 - Membership
 - » Civil Servants (CS): Deputy Director, Service Delivery (SD) Director, and B&A Director
 - » Service Providers (SP): Deputy Program Manager and SD Manager

Governance Structure (continued)

- Roles and responsibilities
 - » Recommends L6S policy
 - » Promotes institutionalization of L6S
 - » Oversees rollout of the NSSC L6S program
 - » Approves and prioritizes L6S projects
 - » Monitors and evaluates L6S projects ROI and documented results
- Serves as change management agents and champions for L6S
- The L6S Board is separate and distinct from the Capital Investment and Integrated Project Plan bodies

Roles and Responsibilities

- Managers
 - Identify potential L6S projects in their functional area
 - Serve as Change Management agents and keep employees informed of L6S initiatives affecting their functional area
 - Identify candidates for L6S Expert positions
 - Serve as Project Sponsors
 - Designate L6S Project team members in collaboration with the L6S Expert
 - Implement and sustain the process changes
- L6S Experts (one CS L6S Expert and one SP L6S Expert)
 - Selection criteria
 - » L6S responsibilities is a collateral duty initially no more than 25% of the L6S Expert's time.
 - » Candidates with strong leadership and communication skills in addition to technical aptitude

Roles and Responsibilities (continued)

- » Candidates expected to obtain L6S certificate and Project Management Certifications
- » Candidate should understand the shared services business model
- Roles and responsibilities
 - » Leading L6S projects
 - » Working with L6S Project Sponsors to refine the L6S proposal
 - » Mentoring and coaching L6S team members
 - » Ensuring completion of project templates including gathering and analyzing project data
 - » Using project management tools to manage L6S projects
 - » Ensuring L6S projects adhere to L6S methodology, principles and processes and NSSC L6S procedures
 - » Maintaining L6S project documentation in the NSSC electronic library (TechDoc)
 - » Sharing L6S best practices (knowledge sharing) within the organization

Roles and Responsibilities (continued)

- Project Team Members
 - Participate in L6S training to acquire L6S knowledge and toolset they will need for the L6S project
 - Work on the L6S project under the direction of the L6S Expert
 - Contribute functional and process knowledge in their area of expertise to the project
- Employees
 - Identify or recommend potential L6S projects
 - Participate in L6S training to acquire the knowledge and toolset they will need if selected for a L6S project
 - Serve on L6S Project Teams if selected

L6S Project Criteria

- Every continuous improvement opportunity is not a L6S project.
- Employees may use L6S tools to improve any process
 - process improvements associated with the transition of new activities to the NSSC are outside of the scope of the NSSC L6S program.
- A suggestion or idea is a potential L6S project, if :
 - The idea or suggestion addresses a business need, and
 - L6S Experts are needed to evaluate and implement the idea or suggestion, and
 - The project results meet the requirements for auditable documentation and formal validation.

L6S Training

- Just-in-time training appropriate for the individual's L6S role and responsibilities
- Four L6S training tiers
 - L6S for Executives
 - L6S for Operations Managers
 - LSS overview for all employees
 - L6S Expert training
- Training tailored to NSSC
 - Support services vs. manufacturing or healthcare
 - Integrates NSSC background, culture and business model

L6S Training (continued)

- L6S for Executives
 - NSSC CS and SP senior leadership
 - NTE 8 hours
 - Covers strategic value of L6S
 - Broad overview of L6S principles & tools
- L6S for Operations Managers
 - NTE 8 hours
 - CS and SP functional managers
 - Focus on identifying and evaluating L6S projects and understanding and appreciating the value of L6S for continuous improving

L6S Training (continued)

- Broad overview of L6S principles and tools
- L6S overview
 - All NSSC CS & SP employees
 - 1 to 2 hour session
 - Focus on value of L6S and identification of potential L6S projects
- L6S for project team members
 - Just-in-Time training for employees selected for a L6S project team
 - 2 to 3 day course

L6S Training (continued)

- Focus on use of L6S tools
- L6S for Experts
 - Training leading to certifications in L6S and project management
 - Curriculum tailored to the individual
 - Several courses from different vendors over a period of time

L6S Process

- Step 1: The functional manager decides to submit an idea or suggestion as a L6S project.
 - The functional manager is the project sponsor
- Step 2: The Sponsor presents the proposal to the L6S Board.
 - Proposal must clearly articulate the problem or business need to be addressed
 - Available data may be minimal.
- Step 3: The Sponsor briefs the proposal to the L6S Board.
- Step 4: The L6S Board makes a decision. If the board decides that the idea or suggestion does not meet the criteria of a L6S project, the Board notifies the Sponsor of the decision
 - If the L6S Board disapproves the proposal as a L6S project, the Board notifies the Sponsor of the decision

L6S Process (continued)

- The L6S Board may assign a L6S Expert to work with the Sponsor to collect analyze and present additional data needed to make a decision
 - The proposal and any Board decision is documented
- Step 5: The Board approves the project
 - The Board assign a L6S Expert.
 - The Sponsor identifies project team members
 - The L6S Expert works with B&A to complete remaining elements of the ROI template
- Step 6:
 - The L6S Expert and Project Sponsor brief the L6S Board on the process changes and improvement activities identified by the L6S project team.
 - Following implementation the Sponsor and L6S Expert monitor the improvement

L6S Process (continued)

- Project sponsor is responsible for implementing and sustaining process changes.
- The L6S Expert updates the L6S Board on implementation
- If implementation will require use of NSSC Capital Investment dollars, the Project Sponsor follows the NSSC Capital Investment Approval Process
- If implementation meets the criteria for a NSSC integrated project, the Project Sponsor follows the procedures in the NSSC Integrated Project Plan
- Step 7:
 - B&A validates the projected ROI after an appropriate amount of time has passed.
 - B&A briefs the results of the ROI validation to the SLT, L6S Board, Sponsor and L6S Expert.
 - Presentation of the ROI results closes out the L6S project although the L6S Expert and Project Sponsor may choose to monitor the improvement after the ROI validation

Next Steps

- NSSC SLT approves implementation strategy
- Finalize Continuous Improvement program document
- Release SOW for L6S training
- Communicate L6S program to workforce
- Select L6S Experts
- L6S overview for NSSC employees
- L6S training for executives and L6S training for operations managers
- Select first L6S project

