NSSC Reversals Process - Kaizen

August 23 – 25, 2010

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Agenda

- Introductions
- Charter
- Schedule
- Event Activities
- Current States
- Ideal States
- Future States
- What Changed
- Get-To-Excellence (GTE) Plan

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Charter Summary For: NSSC Reversal Process

LeanIT#:

Problem Statement: Currently there are several different reversal procedures being used across the Financial area in order to reverse a variety of financial transactions in SAP which results in delays in processing and unnecessary steps.

Objectives / Deliverables: We plan to (1) develop a single process to be used across Finance (2) eliminate 50% of the steps (3) reduce cycle time required from start to finish by 50%(4) reduce paper

Project Scope Information:

Process Start: When the reversal package/request is received or initiated

Process End: When the correcting transaction is posted and cleared without a Statement Of Difference

Value from the Customer's perspective: (1)Streamline approval process, (2) Single process for all functional areas (3) Possible elimination of additional SODs (4) Automation and reduction of paper

Out of Scope: Reducing the number of reversals due to Center Direction of Cost Movement

SIA Dates: August 23, 24, 25

Champion:
Cindy Epperson

Sponsor:
Jim Caldwell

Team Leader:
Jim Caldwell

OE Facilitator:
Mason Gordon
Debbie Dale/Beth Keith

Team Members:
Marsha Franklin
Gail Barnes/Margaret Furey
Demaris Cox/
Theresa Morgerson
Talley Smith
Stephanie Neal
Paul Hebert
Karen Hill
Sharif Kharuf
Donald St. Germain
Jennifer Myers

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Activity Schedule

	Monday		Tuesday		Wednesday
	23-Aug		24-Aug		25-Aug
8:00	Kick-Off - Intros		Review - Observations	Capture Enablers	Construct Action Plan - Determine Ownership - Build Outbrief
8:30	Event Training: Kaizen Process		As Is Time Value Analysis		
9:00			As Is Customer Value Determination		
9:30	Review Steps 1-3		As Is Value Analysis		
10:00	SIPOC & Walk the Flow - High Level				
10:30	Attributes of the current state		Ideal State		
11:00	Map the As-Is Value Stream - Data Collection		Waste Elimination - Cost and Cycle Time Reductions		Deliver Outbrief
11:30					
12:00	Lunch		Lunch		
12:30	Map Value Stream in Detail	Capture Enablers	Map the to be Value Stream/Process		
1:00					
1:30			Trigger Sheets		
2:00					
2:30	Trigger Sheets		To Be Metrics		
3:00			Brainstorm- Categorize Enablers		
3:30	Attributes of the Future State				
4:00	Daily Team Lead Meeting - Sponsor		Daily Team Lead Meeting - Sponsor		
4:30					

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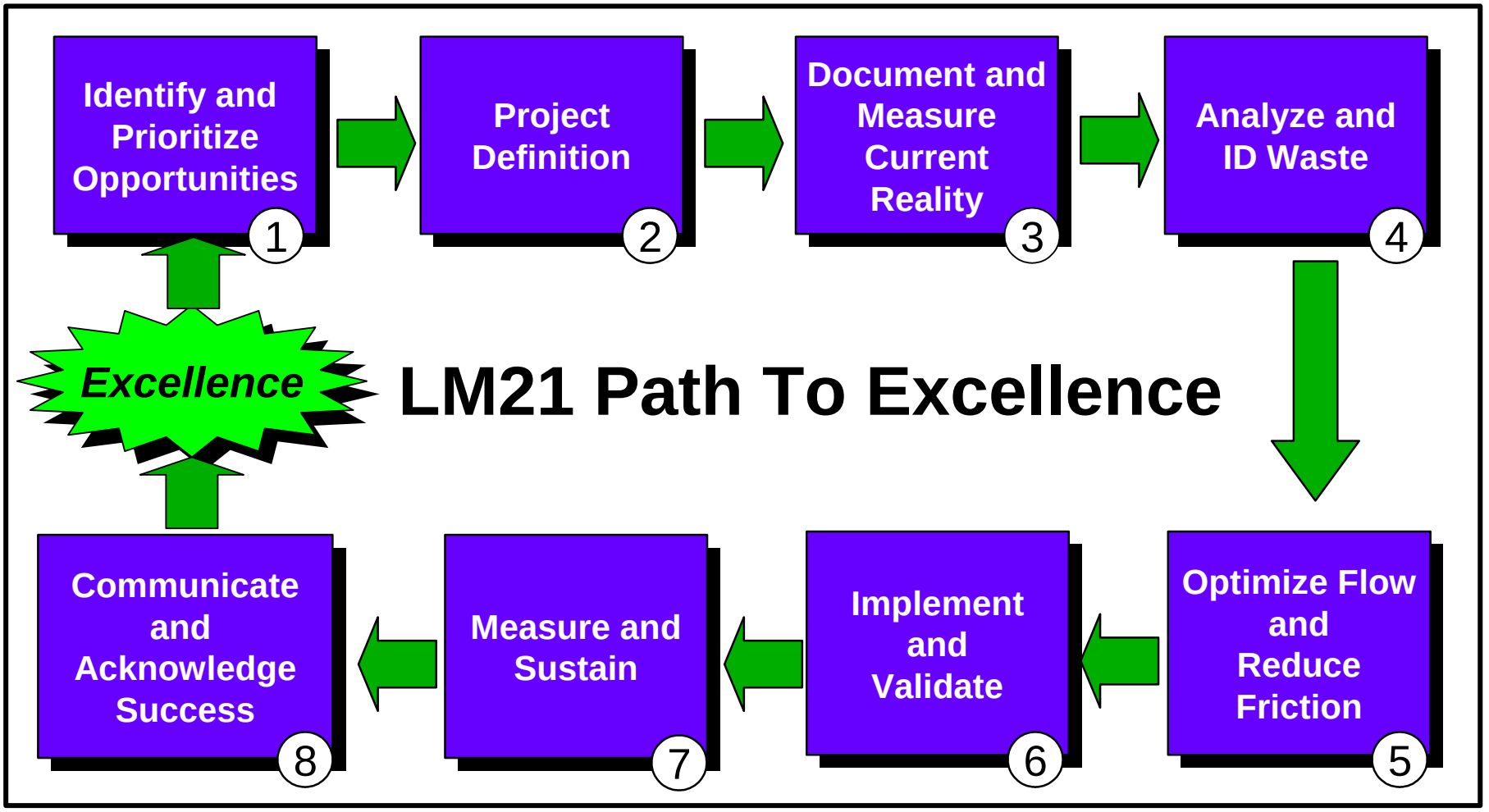
Path to Excellence



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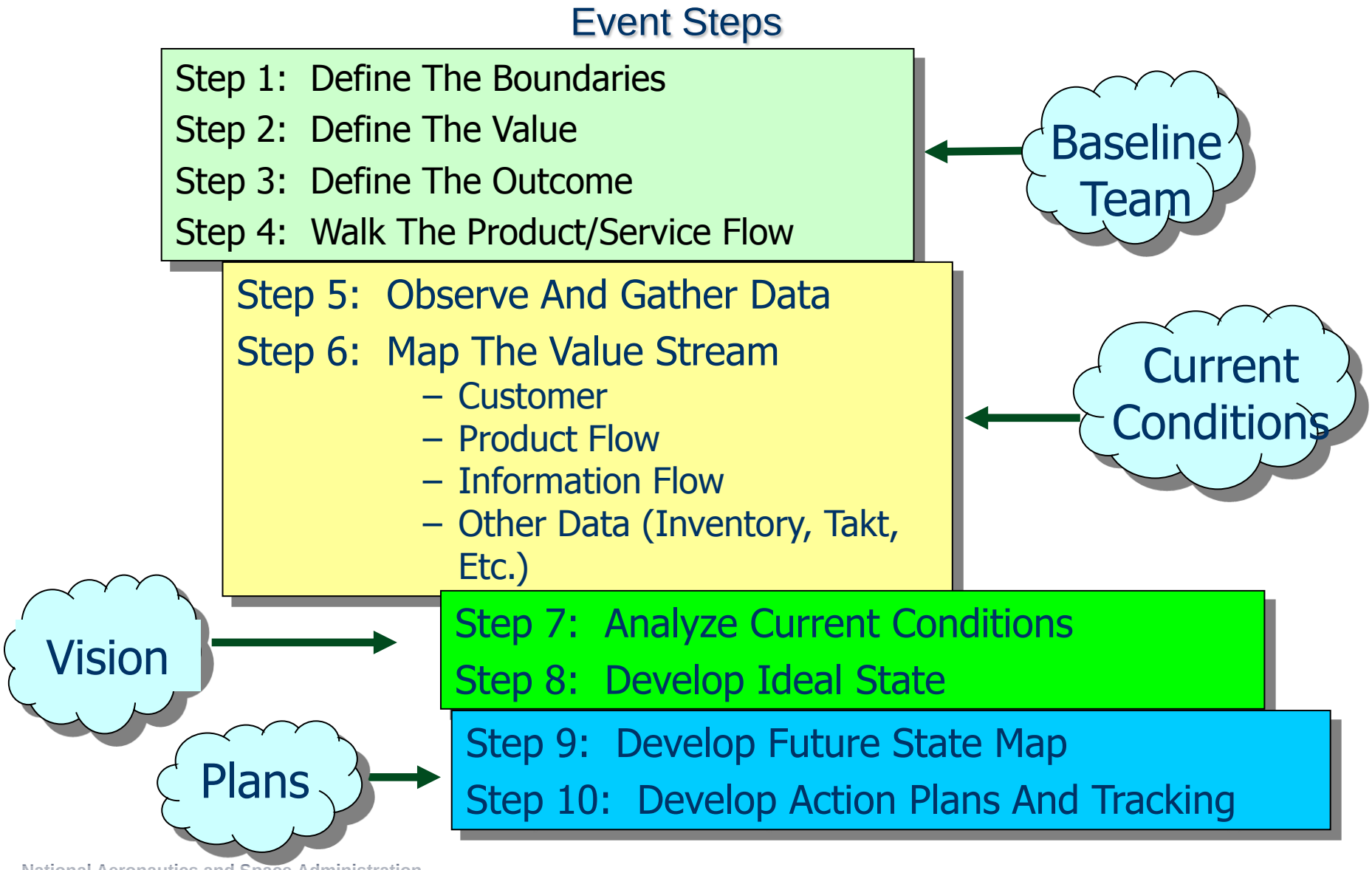
Path to Excellence, continued



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Event Activities Completed

- **Constructed 4 Current States**
- **Current State/Analysis/Attributes**
  - **Trigger Sheets**
  - **Value?**
- **Constructed Ideal State(s)**
  - **Garage**
  - **Perfect Rich World (King for a day)**
- **Brainstormed Ideal State vs. Future – What prevents us from implementing the ideal states?**
- **Future State**
- **Identified Actions/Tasks/Enablers**
- **GTE Plan**

Tools: Flow Charting, Brainstorming, Affinity Diagrams , Trigger sheets. Value Analysis

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Current States

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Current States

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Current States - Analysis

Trigger Sheets

Task:
Trigger:
Done:
Cycle Time:
Touch Time:
Takt Time:
No. of People:
Items in In-Box:
No. of Approvals:
Distance Item Travels:
ESH Issue:
% Rework:
Top 3 Rework Issues:
1.
2.
3.

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Current States - Analysis

Value

Operational	*Waste*	*Transactional*
Building more than sold for hedging or to keep workers busy	**Overproduction**	**Excess reports, reviews, approvals, etc.**
Waiting for tools, parts, engineering, etc.	**Idle time**	**Meetings, waiting for approvals, data, etc.**
Forklifts, premium freight, expediting	**Transportation**	**Inter-office mail, routing for approval**
Rework caused by variation in machines or processes	**Processing**	**Numerous handoffs, lack of procedures, multiple drafts**
"Just in case" parts, late engineering changes, etc.	**Inventory**	**Too many paper copies of reports, excessive backlog, etc.**
Trips to tool crib, time-clock, for drawings, etc.	**Movement (people)**	**Excess travel, chasing info, signatures, etc.**
Scrap and rework due to process variation	**Defects**	**Redlines and mistakes due to no standard procedure**
Lost time due to lifting heavy objects	**Injuries**	**Overloaded filing cabinets**

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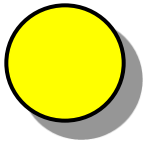
Current States - Analysis

Value

Value-Added Activities

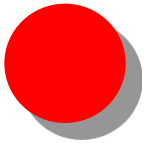
- Activities which change the form, fit or function of the product/service AND
- Activities which, when asked, the customer is willing to pay more if we did more of it AND
- Activities done right the first time

Non Value-Added Required - Needed Activities



- Activities which may be necessary but the customer will not pay you to do
- Cannot be eliminated (due to non-robustness of process) based on current state of technology
- Required (regulatory, customer mandate, legal)

Non Value – Added Activities



- Activities that consume resources but create no value in the eyes of the customer
- The customer is not willing to pay
- Pure waste (8 forms)

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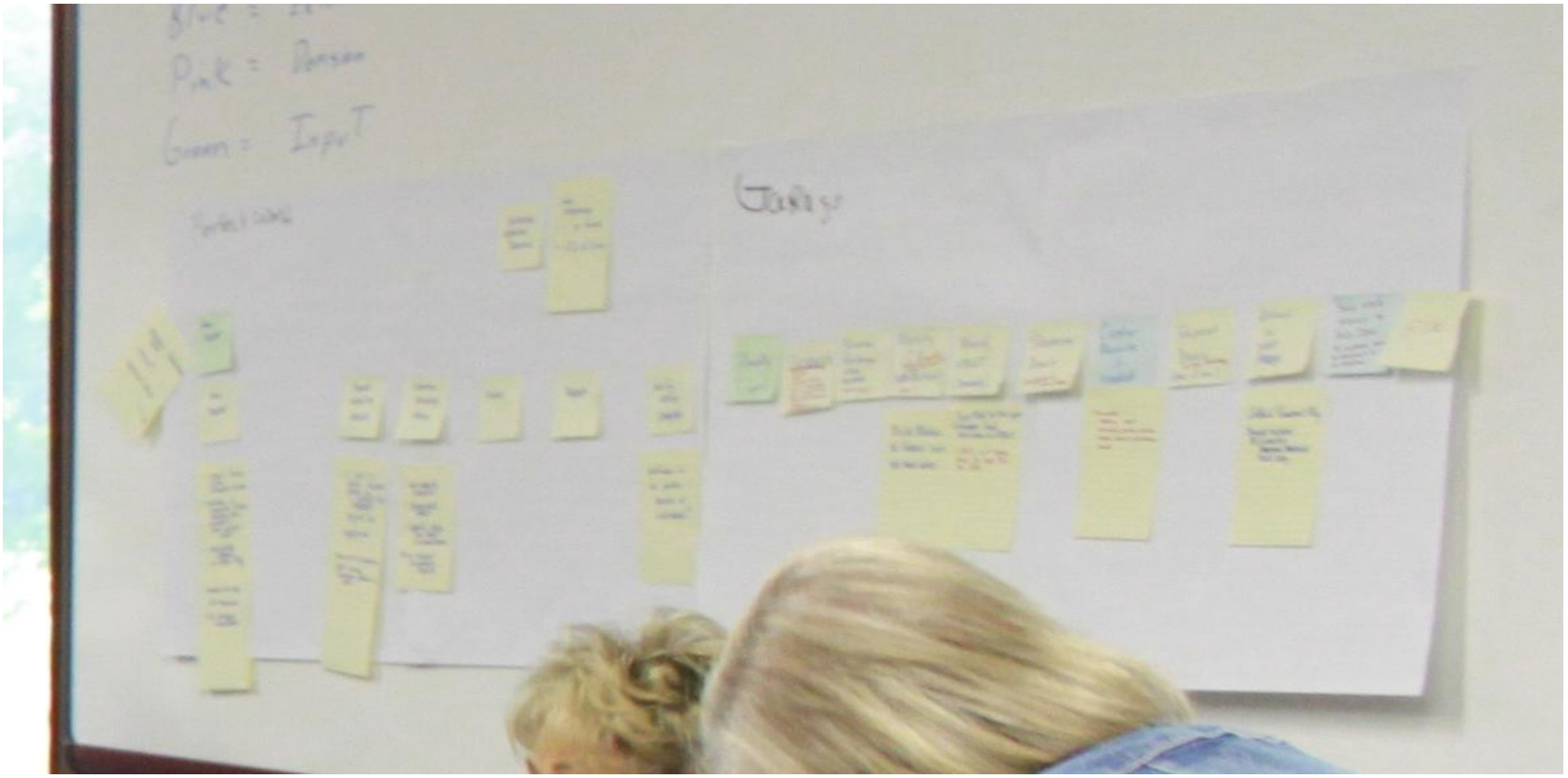
Ideal States



Why Not The Ideal State?

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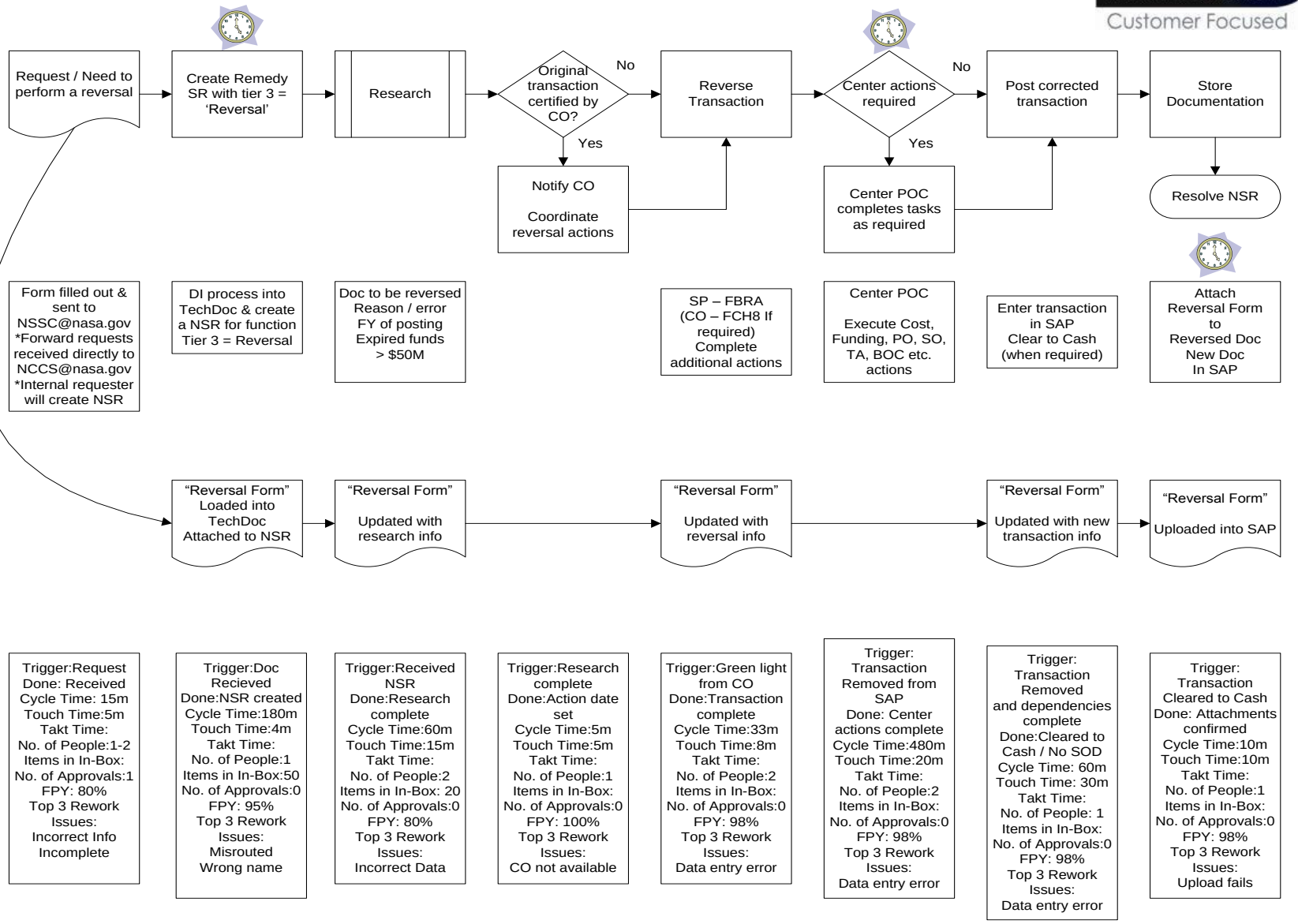
Future State



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What Changed?

- **Paperless process**
  - Checklist (The process has become the checklist)
  - Utilize Remedy
  - Screen shots gone
  - Printing and manual transportation to “notifies and approvals” eliminated
- **Reduction in approvals and notification**
- **Created process awareness across functions**
- **Reduced multiple processes to 1 repeatable process**
- **Captured required information in one place and made it available for “pull” by various stakeholders**
- **Identified metrics and tracking items**
- **Reduced search and queue time**
- **Reduced multiple storage procedures**
- **NSR for all reversals – enabling metrics**
- **Single point of entry/input for internal and external requests**

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What Changed?

	Current	Future	Improvement
1- Steps	12		
Cycle Time	1263		
Touch Time	123		
FPY	84%		
2- Steps	14		
Cycle Time	2383		
Touch Time	142		
FPY	79%		
3- Steps	21	11	48%
Cycle Time	8042	869	89%
Touch Time	166	113	32%
FPY	93%	55%	
4- Steps	28		
Cycle Time	239		
Touch Time	92		
FPY	86%		

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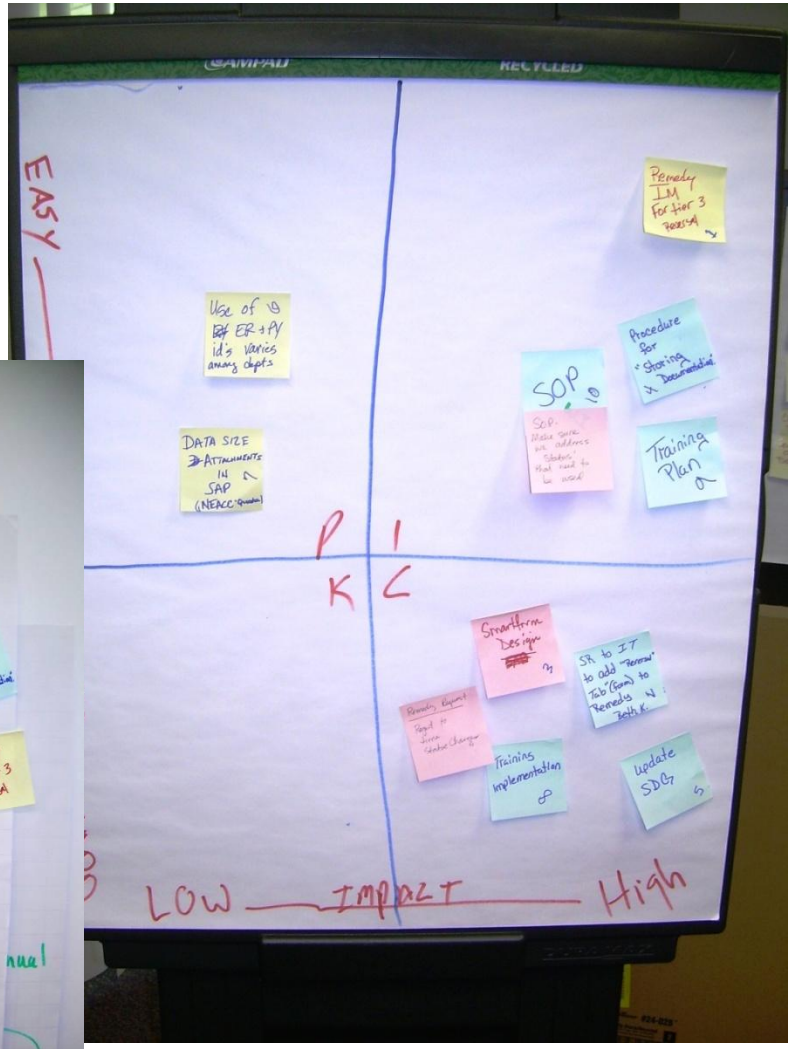
Actions/Enablers



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Get to Excellence Plan and Follow-up

#	Type	Event Description	Target Date	% Comp	Owner
1	JDI	Add Reversal Category in Remedy	8/25/2010	0%	Beth Keith
2	JDI	Data Form	9/10/2010	0%	Beth Keith
3	JDI	Design Smart Form	9/10/2010	0%	Sharif Kharuf
4	JDI	Publish Procedure for Storing Documentation	9/3/2010	0%	Karen Hill
5	JDI	Update SDG	10/22/2010	0%	Debra Dale
6	JDI	Use of ER and PY IDs	10/15/2010	0%	Beth Keith
7	JDI	Data Size Limitation for Attachments in SAP	9/3/2010	0%	Marsha Franklin
8	JDI	SOP/Work Instruction	10/22/2010	0%	Debra Dale
9	JDI	Document Training Plan	10/23/2010	0%	Debra Dale
10	JDI	Training Implementation	10/29/2010	0%	Debra Dale
11	JDI	Time and Metrics	10/29/2010		Beth Keith

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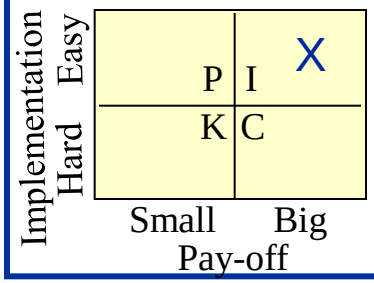
Get To Excellence Activity: # 1 Add Reversal Category in Remedy

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 8/25/10

Owner: Beth Keith

Potential Team Lead and Members:

Description/Problem Statement:
CR to IT to add Reversal as a Tier 3 Choice

Level of Effort*: 1 man hour*

Objectives/Deliverables:

Benefits: **Supports routing, workflow and metrics.**

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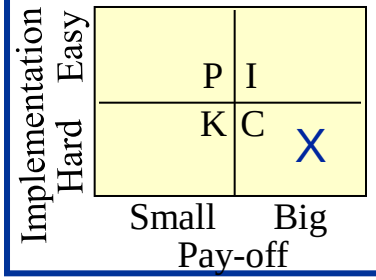
Get To Excellence Activity: # 2 Data Form

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 9/10/2010

Owner: Beth Keith

Potential Team Lead and Members:

Description/Problem Statement:
Develop data form in Remedy to support additional data entry.

Level of Effort*: 1 hour*

Objectives/Deliverables: Support cross reference between Remedy and SAP for audits.

Benefits: Elimination of triplication of pulling data reports.

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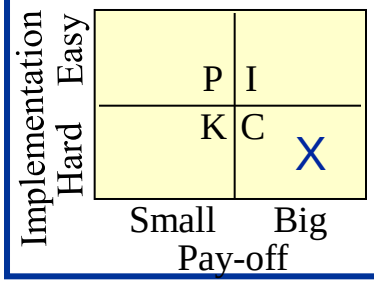
Get To Excellence Activity: # 3
Design Smart-form

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/15/2010

Owner: Sharif Kharuf

Potential Team Lead and Members:

Description/Problem Statement: Gather requirements to create a prototype smart form to submit to IT for implementation.

Objectives/Deliverables: Functional requirements and design.

Level of Effort*: 4 man hours*

Benefits: Support end-user single point of entry for all functions.

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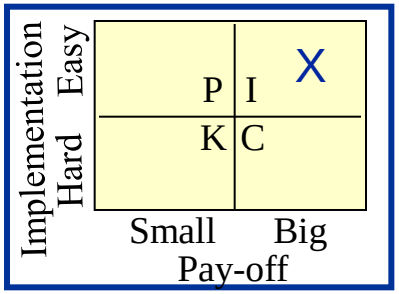
Get To Excellence Activity: # 4 Publish Procedure for Storing Documentation

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 9/3/2010

Owner: Karen Hill

Potential Team Lead and Members:

Description/Problem Statement:
Document procedure for storing documents in SAP.
Cross functional, best practices.

Objectives/Deliverables:
Work Instruction

Level of Effort*: 4 hours*

Benefits:
Supports audits, eliminates need to store in Tech Doc

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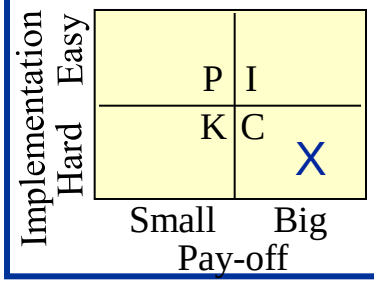
Get To Excellence Activity: # 5 Update SDG

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/22/2010

Owner: Debra Dale

Potential Team Lead and Members:
POC from each function

Description/Problem Statement:
Develop Core for SDG.

Level of Effort*: 40 hours*

Objectives/Deliverables:

Benefits:

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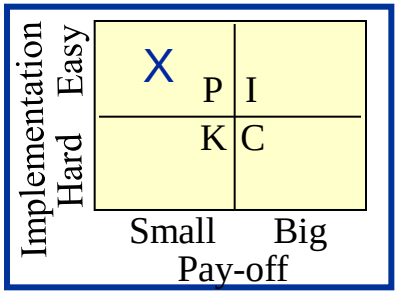
Get To Excellence Activity: # 6 Use of ER and PY IDs

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/15/2010

Owner: Beth Keith

Potential Team Lead and Members:

Description/Problem Statement:
Clarify use of when and why to use them.
Meet/Train.
End users to obtain IDs if needed.

Level of Effort*: 4 hours*

Objectives/Deliverables:
Procedure

Benefits:
Supports governance.

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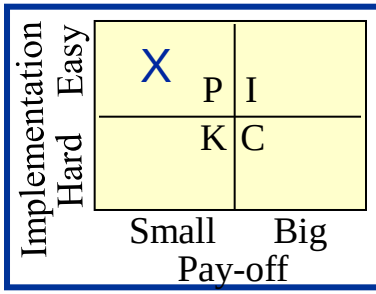
Get To Excellence Activity: # 7 Data Size Limitation for Attachments in SAP

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 9/3/2010

Owner: Marsha Franklin

Potential Team Lead and Members:

Description/Problem Statement:
Query to NEACC

Level of Effort*: 1 hour*

Objectives/Deliverables:
SAP limitation from NEACC

Benefits:
Process Design Limits

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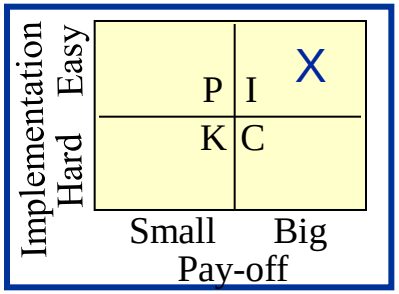
Get To Excellence Activity: # 8 SOP/Work Instruction

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/22/2010

Owner: Debra Dale

Potential Team Lead and Members:

Description/Problem Statement:
Document future state processes and procedures

Level of Effort*: 18 hours*

Objectives/Deliverables: Procedure Document

Benefits:
Process stability and repeatability

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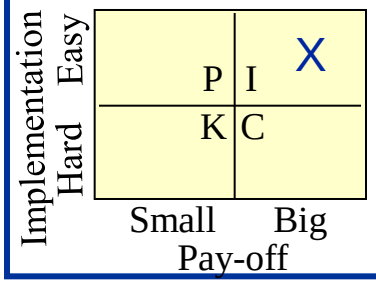
Get To Excellence Activity: # 9 Document Training Plan

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/22/2010

Owner: Debra Dale

Potential Team Lead and Members:

Description/Problem Statement:
Develop new process training plan.

Level of Effort*: 4 hours*

Objectives/Deliverables:
Documented Training Plan

Benefits:

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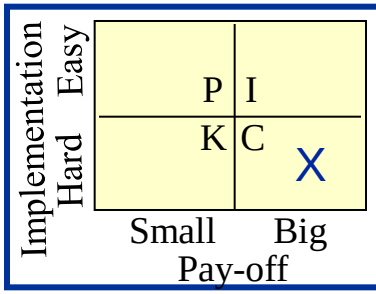
Get To Excellence Activity: # 10 Training Implementation

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/29/2010

Owner: Debra Dale

Description/Problem Statement:
Training Lean and Supervisors

Potential Team Lead and Members:
Functional POCs

Objectives/Deliverables:
Train the Trainer

Level of Effort*: 4 man hours*

Benefits:

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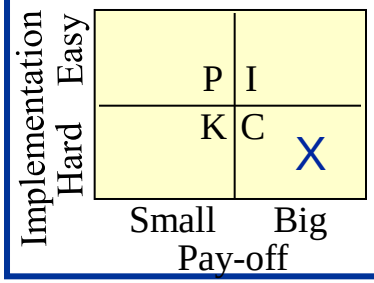
Get To Excellence Activity: # 11 Time and Metrics

- [x] JDI
- [ ] Kaizen
- [ ] Project
- [ ] VSM



Estimated Task Dates: 10/29/2010

Owner: Beth Keith

Potential Team Lead and Members:
Functional POCs

Description/Problem Statement:
SR to capture and forward date and time stamps at key changes in process. Forward to reporting database.

Objectives/Deliverables:
Metrics for decision making and management.

Level of Effort*: 4 man hours*

Benefits:

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Future Considerations

- ***Eliminating Inspection/Research step by having required information at the front-end***

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