MLC KPD2 – Breakout Session #2

Friday 2017-03-24

Introductions

Introductions

- Dan – husband, father of 3, boy scout, fish fry, and kata
- Rob – husband, father of 2, Sunday school teach, and kata

Learning

Target Condition

• Ability to create to create a challenge condition and cascade it within my organization

Obstacles

- Lack of understanding of what a challenge is
- Cascade of a challenge condition if void in organization

Learning

Our Step (P)

• To conduct a presentation on what a vision is, what a challenge condition is, why we use a challenge condition, and provide one example of cascading a challenge condition

What we expect (P)

• Everyone will learn about a challenge, see and overview of cascading a challenge condition and create one example individually

Vision Statement

- What is a vision statement?
  - Referred to as an end-state, or an Ideal State (lean thinkers)
  - In a broad sense it is where we are going, as an organization

- What are it's characteristics?
  - Inspirational, clear, memorable, and concise
  - Typically 15 words or less (excluding branding)

- Examples
  - Feeding America – A hunger-free America
  - Habitat for Humanity – A world where everyone has a decent place to live.
  - Micron – Living and promoting the American dream.

- In summary – A VISION IS INSIPIRATIONAL

Engagement in a Vision

"When people see themselves as components in a system and work in cooperation to achieve a shared aim, they feel that their efforts hold meaning. They experience interest and challenge and joy in the work."

Dr. W. Edward Deming, The New Economics, Pg. 128

Challenge Condition

- What is a challenge condition?
  - Is the motivation towards the vision, what Dr. Deming stated
  - It is a new condition that you envision
    - Ask this question, "Wouldn't it be great if we could…"
  - A condition to better serve the customers

Challenge Condition

- What are it's characteristics?
  - It can provide context to individual target conditions
  - It will cause you to stretch and grow
  - Can't achieve this condition with the current system(s)
  - It describes a new level or pattern of performance related to be better serving the customers, which will help us move ahead of our competitors
  - Does not state how to get there or present a value judgment
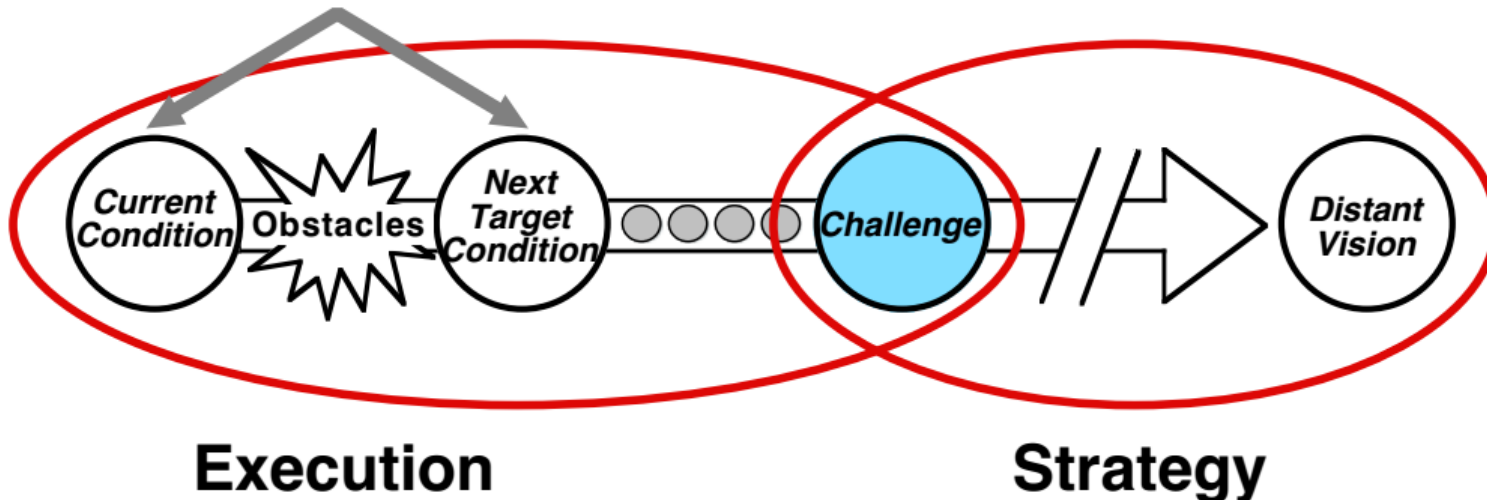 - 6 months – 3 years out

Challenge Condition

THE ROLE OF CHALLENGE IN AN ORGANIZATION

An overall Challenge is a theme that helps connect strategy with execution

Managers develop people by coaching application practice of the Improvement Kata in the direction of the challenge

Leaders establish the organization's strategic concept (the "rallying point" or overall direction)
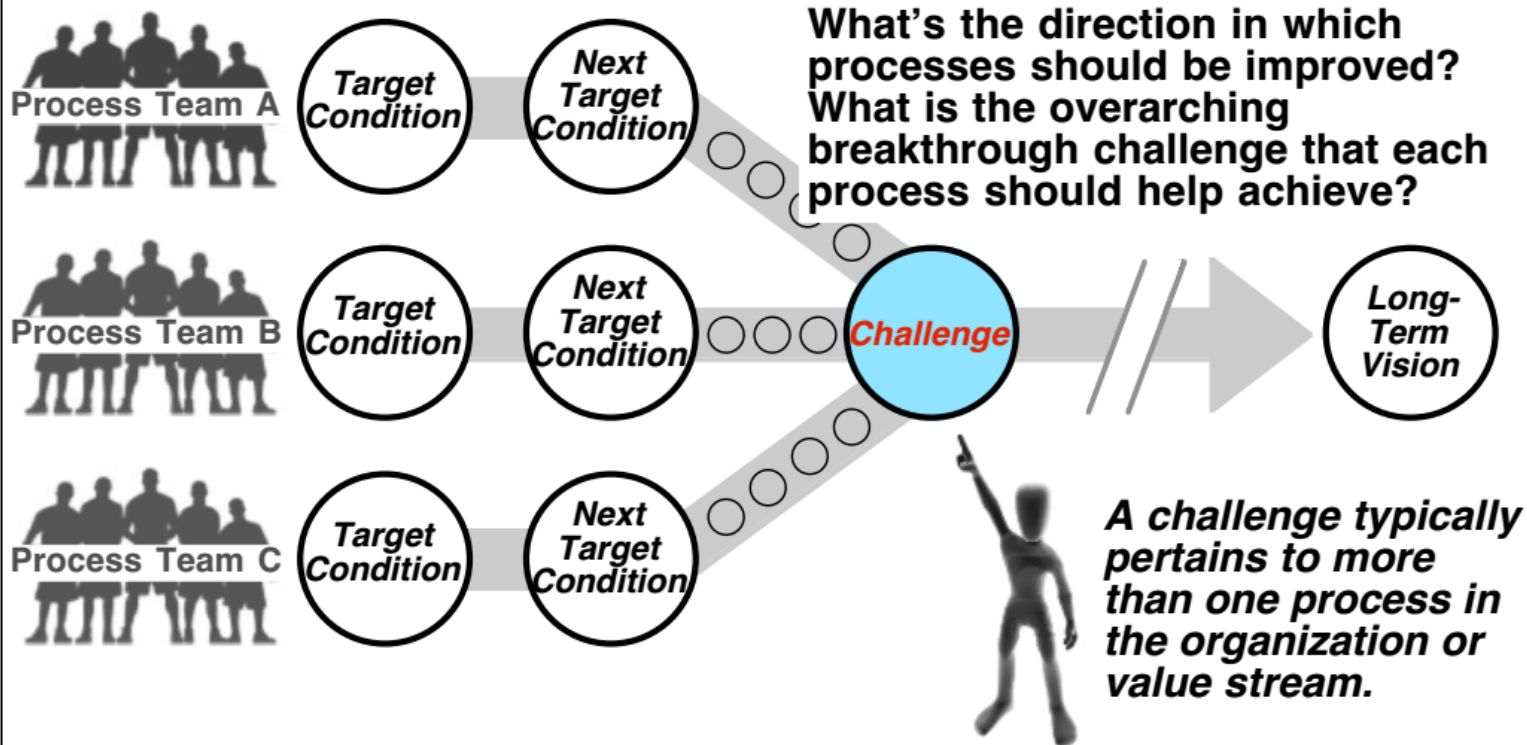
Current Condition — Obstacles — Next Target Condition — Challenge — Distant Vision

Execution   **Strategy**

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Challenge Condition

AN OVERALL CHALLENGE HELPS TO ALIGN AND CONNECT INDIVIDUAL IMPROVEMENT EFFORTS

The overall challenge is used to help ensure that process-level improvement efforts have a focus and fit together

Process Team A — Target Condition — Next Target Condition

Process Team B — Target Condition — Next Target Condition — Challenge — Long-Term Vision

Process Team C — Target Condition — Next Target Condition

What's the direction in which processes should be improved? What is the overarching breakthrough challenge that each process should help achieve?

A challenge typically pertains to more than one process in the organization or value stream.

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Example Challenge Conditions

- Micron
  - 99.2% of shipments without customer concern
- Nucraft
  - What the customer orders is what we quoted is what we engineered is what we build

Cascading Challenge Condition

MICHIGAN LEAN CONSORTIUM

V.P.

Obstacle to Nucraft Corp. Strategy Initiative is on-time performance of case clean

Each learner designs their Target Condition Using iterative coaching dialog with their coach.

Plant Mgr.

Designs a TC for case clean which includes an on-time of 95%

→ Two obstacles preventing this are missing parts from kits and late parts to case clean

Dept. Mgr

Designs a TC for press Dept. which includes press uptime of 85%, 95% complete kits and 95% ontime to schedule

→ Three obstacles preventing this
1. C/O time of 25 min.
2. 20% unplanned downtime
3. Inaccurate BOM

Supervisor

Address each of 3 obstacles in turn. Designs first TC which is for a 10 min. C/O.

→ The obstacles to a 10 min. C/O are:
1. Removing tools
2. Making adjustments
3. Installing new tools

Supervisor

Operator

The obstacle the supervisor & team is addressing now is removing tools

→ The team believes that the lack of organization in removing tools is preventing this step from getting down from 13 min to 5 min.

Therefore, the team's first experiment is to organize the removing tool approach using 5S and test their assumption.

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Practice Cascading the Challenge

Each Learner designs *their* Target Condition in iterative coaching dialog with their Coach

Fractal means that at each level down the Improvement Kata procedure and thinking pattern are the same, only the content gets smaller in scope