Department of the Air Force

Integrity - Service - Excellence

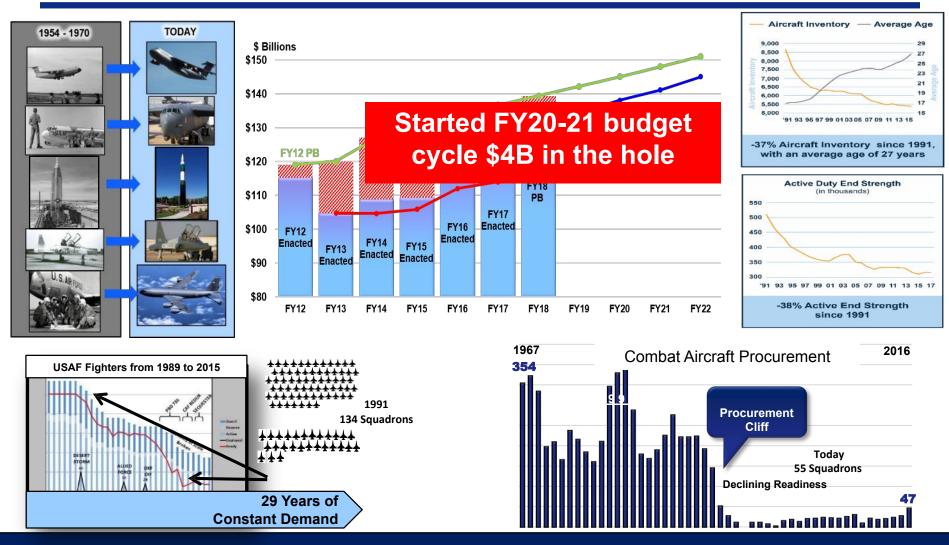
Continuous Process Improvement and Innovation (CPI²) in our DNA



W. B. (Brou) Gautier SAF/MGB – CPI² 22 Jul 20 Version 1.0



U.S. Air Force over Time





Raison d'être

 Central Tenet: World's Best Air Force is being challenged in all domains: Air, Space, and CyberSpace ...

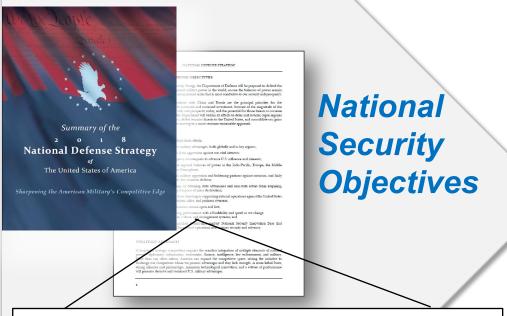
Considerations:

- Adversary capability
- Teamed adversaries ability to coordinate against us
- Reflection Questions:
 - Do requirements (quantity and cost) exceed resources?
 - Does treasury have the capacity for more military spending?
 - How would I solve this for the Air Force?
 - Is every dollar of the AF budget as productive as it can be?
 - Is every AF asset as productive as it can be?
 - What do we owe the taxpayer before we ask for more?



National Defense Strategy Driving Reform

National Defense Strategy (NDS)



"Continuously <u>delivering performance with affordability</u> and speed as we <u>change</u> Departmental mindset, <u>culture</u>, and management systems; and..."

- Ensure effective stewardship of taxpayer dollars
- Transition to a culture of performance where results & accountability matter
- Gain full value from every taxpayer dollar spent
- Shed outdated management practices & structures while integrating insights from business innovation
- Organize for innovation
- Leverage the scale of operations to drive greater efficiency in procurement
- Pursue opportunities to consolidate and streamline contracts



Digital Air Force

A Cultural Transformation ... the Digital Air Force:

- ▶ is the development and synchronization of People, Processes and Technology
- ▶ will enable us to rapidly and effectively Connect, Share, and Learn
- will allow us to be more Agile and Integrated throughout all domains
- ▶ will enable Decision Advantage in future conflict environments steeped in Shared Information and powered by Rapid Decision-Making
- ▶ is a Campaign Designed for Every Airman across all spectrums ...30-year investment decisions...aircraft maintenance...supply chain mgmt...collaborative sensing...weapons employment...Airman development continually aligns to the NDS, Joint, and Air Force strategies, doctrine, and plans





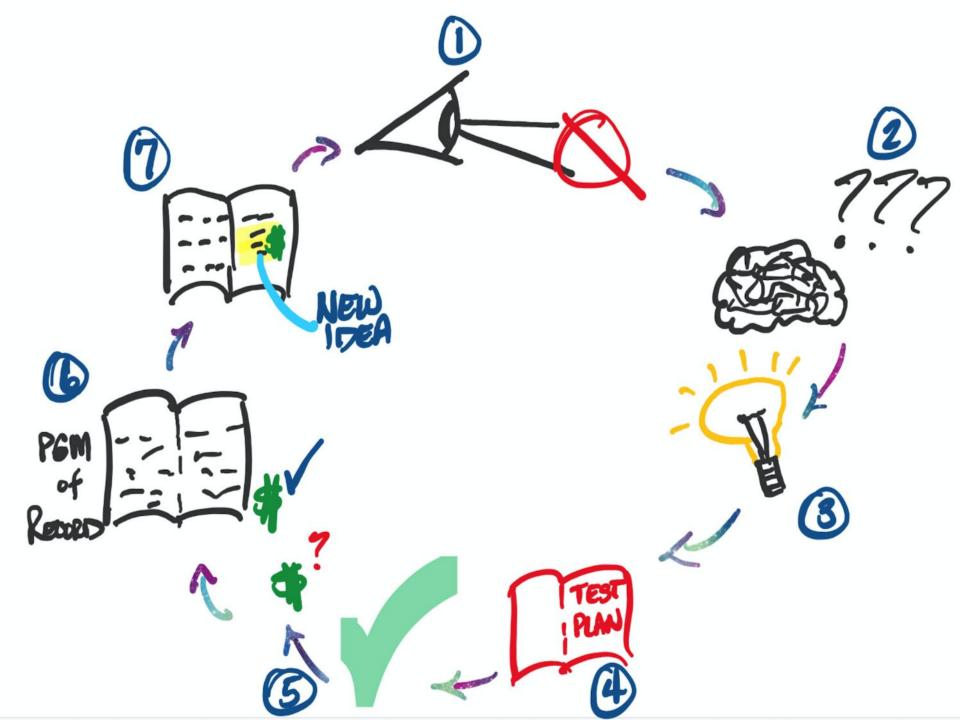
The Integration Challenge



"In today's complex security environment, victory goes not to the innovator, but to the rapid integrator of ideas."

-General David L. Goldfein, Chief of Staff, U.S Air Force

But what does integration look like?



Team Lead: Team Members:

Facilitator(s):

Approval Information/Signatures:

Objective Champion:

Start Date:

End Date:

Take Action
Strategy Map Priorities: AF Objective.

- 1. Clarify & Validate the Problem:
 - "Problem" ... What's the issue and "Why do we Care?"
- -Tied to improvement strategy
- -Required to meet mission
- -CC Tasking
- -Increase capability &/or capacity

4. Determine Root Cause(s):

A focus on cause and effect ensures we go beyond symptoms to root cause(s)

The problem WILL COME BACK if you never ID and mitigate the root cause(s)!

6. Implement Countermeasures (use Obj Status Rpts (OSR) for project mgt):

Project Management &

Oversight

Status reports for governance meetings

- 7. Confirm Results & Process (desired change in Step 2 data):
 - Validation? Replicate and scale?

No? Go back to Step 4

Break the Problem Down/Identify Performance Gap(s):

This block helps focus the effort very specifically in discrete, quantifiable terms (Source Data – Strategy Map Objective)

Ensures the big issues are addressed

Set Improvement Target(s) (CC's agenda/prioritization step):

Close the entire performance gap:

The Champion's agenda block ... it provides insight to criticality and urgency

Source Data – Command's/ Functional Team's strategic goals

Vector Ck w/ scheduled:

Develop Countermeasures and/or Tasks:

This is the course of action analysis and project planning "pitch":

Treat symptom(s)? Possibly

Treat root cause(s)? Absolutely

Complexity plan? (Just Do It, RIE, Longer-Term Project)

Expected benefit (ROI)

After approval, manage it, review at governance meetings

8. Sustain Improvements, Standardize Locally, Elevate (track via OSR);

CHANGE MANAGEMENT
Standardize new process and determine inspection/quality check requirements so new process doesn't retrograde/decay



scheduled

Team Lead: Team Members: Facilitator(s):	Approval Information/Signature Objective Champion: Start Date:	s: End Date:	1 per strategic objective minimum Strategy Map Priorities: AF Objective:
1. Clarify & Validate the Problem:	4. Determine Root Cause(s):	777	Implement Countermeasures (use Obj Status Rpts (OSR) for project mgt): 7. Confirm Results & Process (desired change in Step 2 data):
2. Break the Problem Down/dentify Performance Gap(s): Continue of the Problem Down/dentify Performance Gap(s):	5. Develop Countermeasures at	TEST	
3. Set Improvement Target(s) (CC's agenda/prioritization step): Close the entire performance gap: Timeline: Milestones: Vector Ck w/ scheduled:	STOP	tor Ckw/ scheduled:	8. Sustain Improvements, Standardize Locally, Elevate (track via OSR):



Is Innovation a Different Thing?

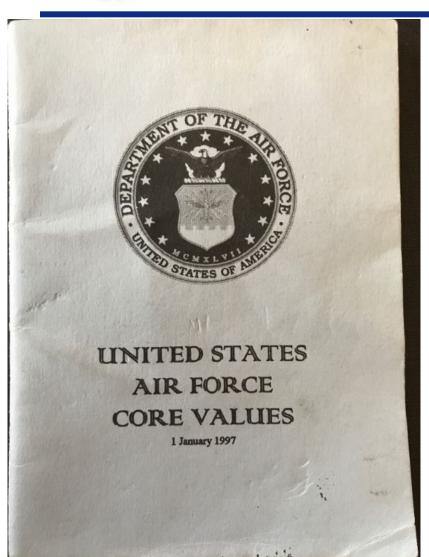
TYPE OF INNOVATION

		Business Model	Process	Effect or Capability
DEGREE OF INNOVATION	Breakthrough	•	•	•
	Substantial	• •	• •	
	Incremental			

Institutional Competency – Continuous Improvement
Foundation Operating Philosophy is LEAN ...
The Relentless Pursuit of Warfighter Effectiveness through Elimination
of that which DOES NOT Add Value



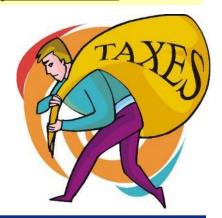
Core Values



Integrity is simply doing the right thing, all the time, whether everyone is watching or no one is watching.

Service Before Self tells us that professional duties take precedence over personal desires.

Excellence In All We Do does not mean that we demand perfection in everything from everyone. Instead, this value directs us to continuously advance our craft and increase our knowledge as Airmen. We must have a passion for continuous improvement and innovation that propels America's Air Force in quantum leaps towards accomplishment and performance.





U.S. AIR FORCE

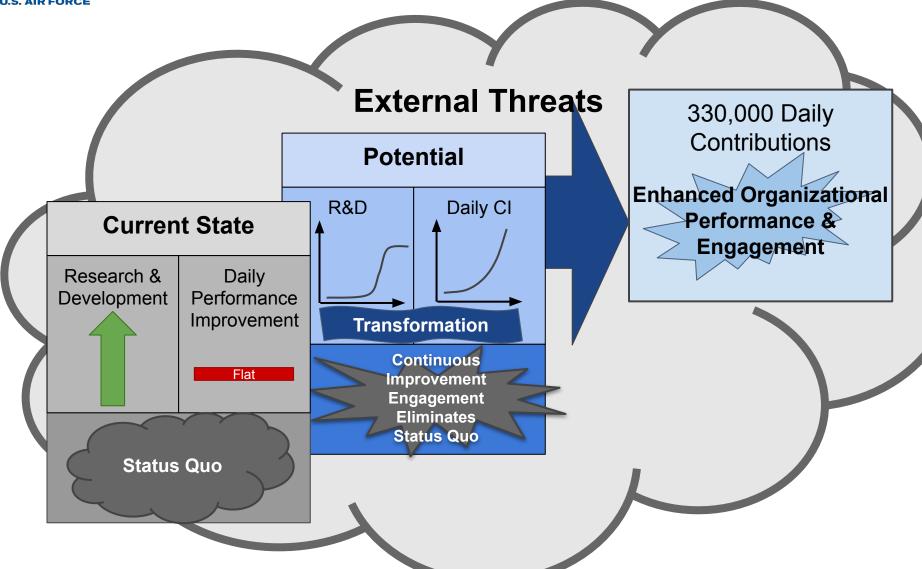
Air Force Continuous Process Improvement & Innovation (CPI²)

TSD July 2020

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Expected Outcomes



- Familiarize you with our thinking about AF CPI²
- Align you to how we will work together
- Connect with you to start to accomplish a joint product using Career Field Management as a gateway to creating a CPI² culture within the AF and in every Airman





Agenda for the Webinar





- Vision
- Why a SYSTEM of CPI²
- The Challenges we See
- Our Experience
- Our CPI² Model
 - The Thinking System
- The Learning EcoSystem
- The Simulation
- CPI² Development Approach





- CPI² is a *Thinking System* concept
- CPI² is Mutual Trust and Respect
- CPI² is vital to the interests of the Air Force
- CPI² is part of the everyday job
- CPI² is logical and rational approach
- CPI² is growth with individual career progression
- CPI² is a part of Career Field Management



Why a System of CPI²



- Systems are designed to accomplish a single purpose
- Systems require coordinated resources
- Systems require coordinated effort
- Systems have common processes, methods, and tools
- Systems make it easier to see waste
 & sub-optimization
- Systems create predictability



We intend to eliminate isolated efficiency

The Challenges we See

6750

- Mission and readiness are complex
- Changing nature of the operational environment
- Work is being driven by technology
- Creating a CPI² support environment
- Understanding people and change
- Working with less without decreasing commitment
- Creating a system of work that fits current day reality

We are constantly challenged to do more with less



Our Experience:

757

Toyota's Definition of a Great Place to Work

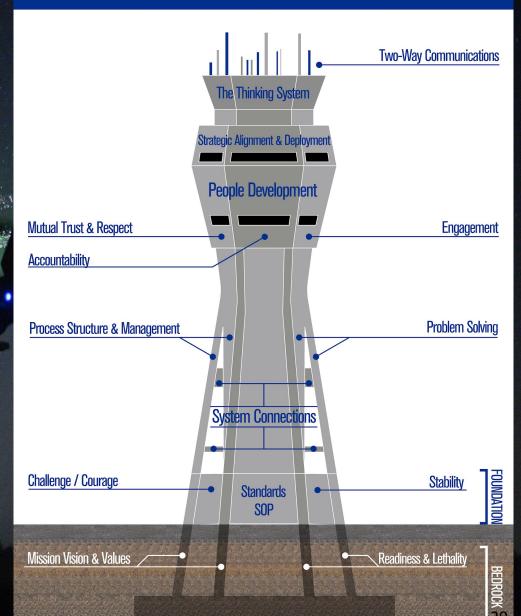
- More people less machines
- Standardize the "best way"
- Intrinsic motivation
- Each line is capable of infinite improvement
- Small change matters
- Improvement each day
- No-blame culture
- Results build attitude

- It's about growing people
- Accountability builds people
- Standards expose problems
- Employees are heard
- Processes with fewer surprises
- Training is strategic
- Mutual trust and respect

CPI² Culture ConstructionLearning Steps

- 1. Bedrock & Foundation
- 2. The Thinking System
- 3. SA&D
- 4. Problem Solving
- Process Structure & Management
- 6. People Development
- 7. System Connections

Culture of CI Tower



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The Learning EcoSystem:



U.S. AIR FORCE Emphasis on Place for Learning

On the Job

Off the Job

Outside Learning **Opportunities**



The Learning EcoSystem



- Webinar
 - Air Force Continuous Improvement and Innovation (CPI²)
- Pre-Courses
 - **Bedrock and Foundation**
 - The Thinking System
 - **Problem Solving and Process Structure &** Management
 - People Development and System Connections

The Learning EcoSystem

- Simulation
 - Reflection
 - Problem solving
 - Teamwork
 - System to support CPI²
 - Visual systems to see problems, deviations, and opportunities
- Accountability to understand the value of meeting and improving standards
- Evaluation to understand how we are doing

The Simulation:



Setting

- A complex process analysis of the development and manpower planning process for a plant
- The reallocation of personnel to a new facility
- A strategic emphasis to staff a new facility and also achieve productivity goals
- Meeting productivity challenge during a reallocation
- Two key roles: General Manager of the Company,
 Plant Manager of current plant
- Very interactive with teamwork and breakouts for dialog and discussion
- Immediate Reflection and discussion



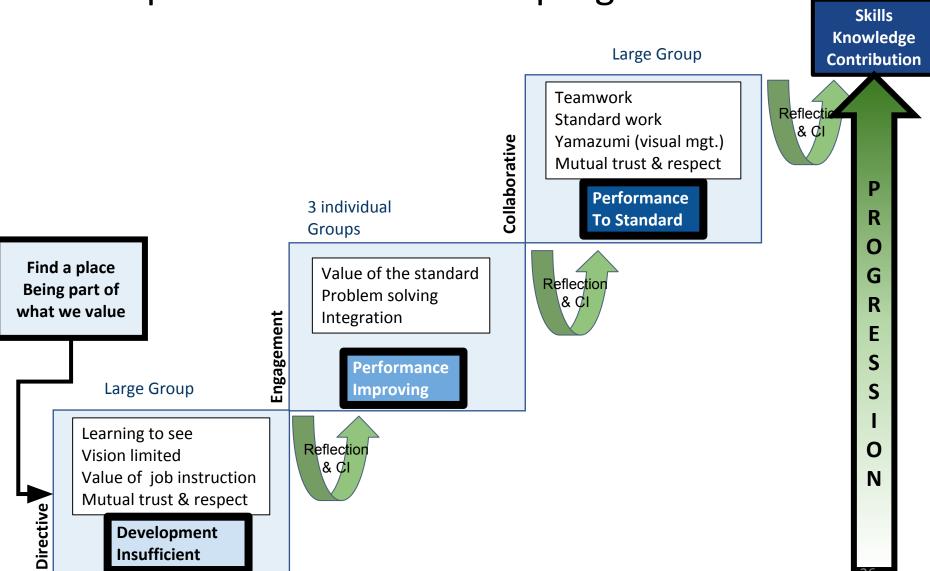
The Simulation: Opportunities for Thinking & Learning



- Analysis of the current situation as a part of thinking, planning and learning systematically
- Planning from critical thinking, plans as commitments
- Model for the role of a leader
- Reflection, analysis and Evaluation at each step of the annual plan cycle
- Creation of a plan for achieving goals with systematic management
- Techniques for alignment of goals and for monitoring the processes
- Begin to see how CPI² applies within your career field

The CPI² Development Approach

U.S. AIR FORCE Stop action as the scenes progress



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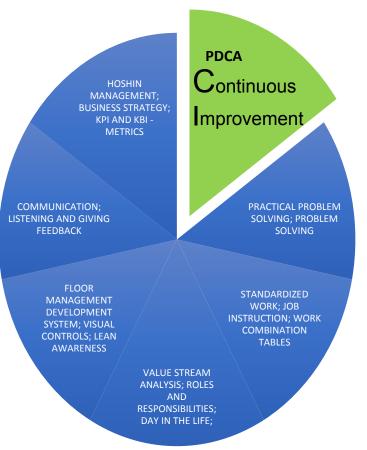
METHODS THROUGH TRAINING

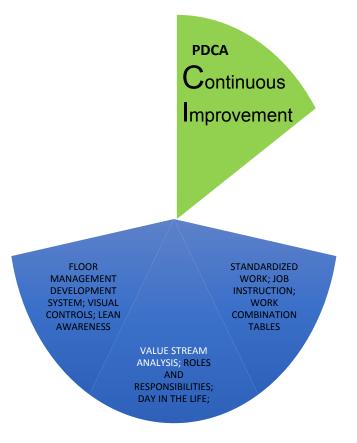
SIMULATION FOCUS



Methods Through Training

Methods Through Training

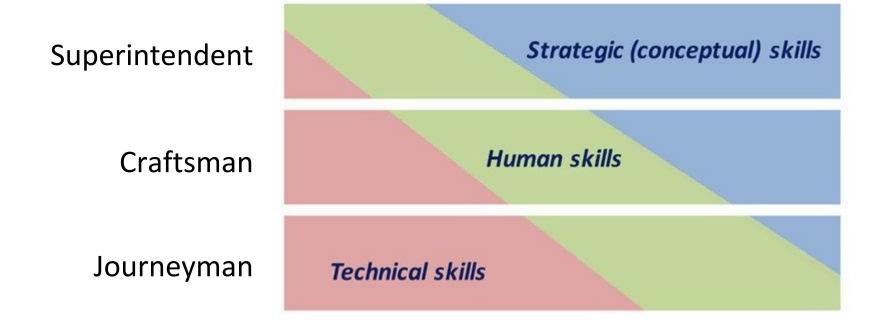






Training Emphasis by Category







Competency Families



Master Craftsman

Kaizen **Execution** and Sustainment

Organizational Development

Planning Execution Strategic **Thinking**

Craftsman

CAPDCA

Interpersonal Skills

Sustainment

Kaizen **Improvement**

Journeyman

Plan, Do Check, Action

Influence Coaching Cooperation

Standard Work

Daily Schedule Attainment

Apprentice

Problem **Identification &** Initiative

Communication **Teamwork**

Consciousness

Ownership & Commitment

Problem Solving

Emotional Intelligence Commitment to Excellence **Strategic Thinking**

Fundamentals of The Thinking System People Development & Continuous Improvement





Our Questions to You



- What would you like us to know
- How can we together integrate CPI²
- What are the limiting factors to CPI² implementation
- ** Respond to us by Friday at Plillard@leancpi.com or Jallen@leancpi.com
- *** Also give us a time when you can be reached to discuss the overall answers to our questions. (Give us a week to assemble your responses to our questions)