USAF Career Field Manager and Training Developer Continuous Process Improvement and Innovation

CPI² Simulation

Experiencing an Environment of CPI² Support

Eagle Harbor Solutions
Total Systems Development

6th Cohort
October 2020

Table of Contents

Chapter Two: CA**P**DCA

Planning

In this Chapter

This chapter covers the critical work of taking the direction set in the previous phase and delegating action on those priorities and goals through the whole organization through creating annual plans. Those plans engage and commit everyone at all levels of the organization to actions that achieve annual targets and push the organization closer to achieving the vision of its leader. The resulting plans are a list of all activities required of the organization and a standard against which everyone will be held accountable. As such, they must be complete and written for the person expected to take the action. Finally, understanding and effectively using OMDS and metrics in planning is a key to a comprehensive plan.

Activities
- WBY Case Study for P
- WBY planning exercise
- Air Force application discussion

Why it is important (So What?)
- A complete and thorough plan is confirmation to leaders that their direction has been understood
- Planning shows the "how" of accomplishing priorities and goals
- As planning cascades down the organization, it assures alignment, commitment and accountability
- Allowing people to plan shows trust and respect and develops them
- The current year's results, shown on OMDS and metrics, provide information for the next year's plan

The Mindset for Planning

- Delegation must be clear to make planning clear
- Delegation must be appropriate to skill and motivation
- Delegation must be seen as an opportunity for individual development
- The sum of all delegation and planning must total to the goal desired

Keys

- Planning is not optional
- Good planning involves commitment to success by both parties

- Well written goals, written for the performer, provide the best opportunity for success in planning and execution
- Goal accomplishment requires constant monitoring and coaching by the superior
- A plan is a commitment. The plan includes the input into OMDS to be followed and supported

Review of Chapter 1

Bottom Line

The determination of the way forward by grasping the current situation and setting the direction for the organization allows it to engage in a new annual plan. Grasping the situation is a complex endeavor of gathering information, analyzing the information and determining what is significant for the next annual plan. In many cases the analysis involves breaking down the data into smaller pieces to be able to see cause and effect. The result of this action is to create a set of goals that will be deployed throughout the organization. Don't forget that it's important to have broad goals and make them systems oriented.

Key Points
- Reach out to understand the changes that affect strategy
- Purposely look at your organization and understand its true capability
- Define what needs to develop
- Keep the direction simple for everyone to understand
- Recognize that the organization will develop as the people develop

Why it is important (So What?)
- It is the responsibility of leaders to set the direction
- Setting the direction requires understanding where the organization is or "Grasping the Situation"
- Setting the Direction engages the whole organization in accomplishing its strategic goals and demonstrates trust and respect

Chapter 1 Reflections

We're going to review your responses to the Competencies reflections from Chapter 1. We'll call on you to share your reflections. We ask that each reflection generates a discussion.

Chapter 1 Homework

U.S. AIR FORCE   TSD

- Review the competencies related to 'CA' below and be prepared to discuss them during the next class session (ref: AF Competencies for CI)
  - Competency - Ability to identify issues; Behavior - Innovative ideas
  - Competency - Ability to identify issues; Behavior - Planning from a mid and long term viewpoint
  - Competency - Ability to manage an organization; Behavior - Delegation
  - Competency - Ability to manage human resources; Behavior - Planned development
  - Competency - Leadership; Behavior - Communication

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Notes:

‘CA’ Quiz Review

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Notes:

Start / Recap

As you'll recall from the previous chapter, we have understood what the situation is and decided how to derive the goals to support it. Now we must take that general direction and plan "how" you will make it become reality. Subordinates need to realize that whatever they create in their plan will be reviewed by their superior who is there to create a successful plan and support for development.   It is important that the process, being focused on success through mutual trust and respect, will provide what is necessary.
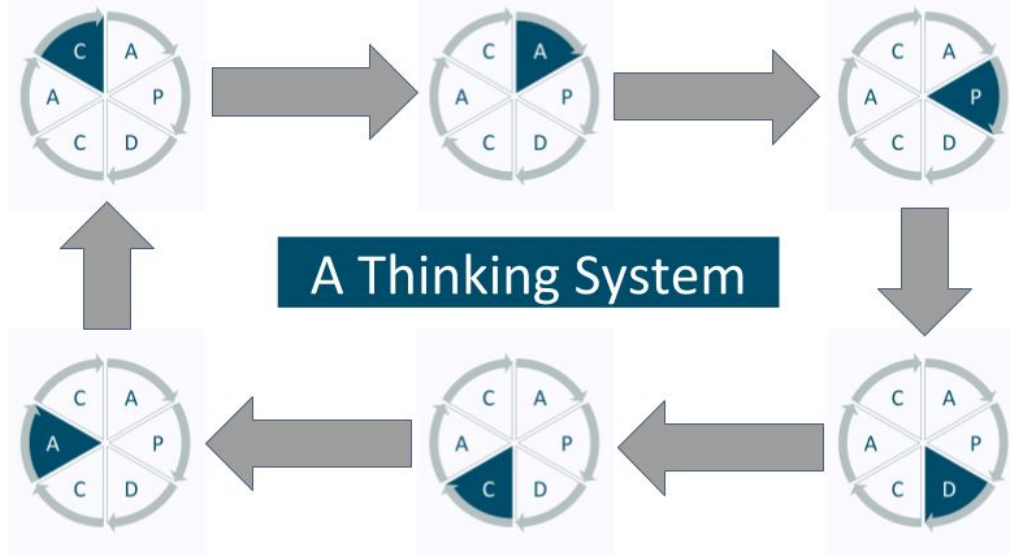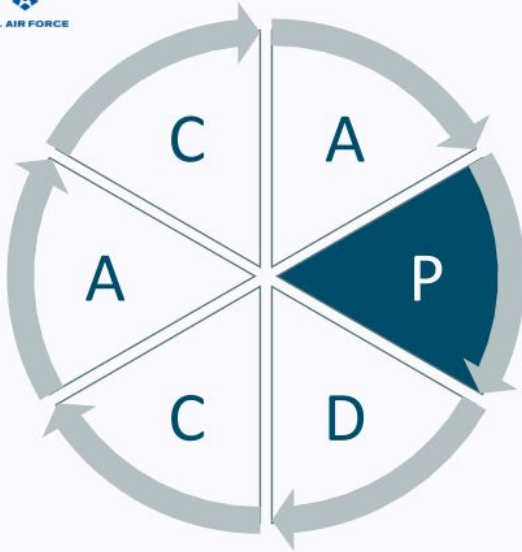
Notes:

Instruction

CAPDCA: The role of the Manager

A Thinking System

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Notes:

Plan

Definition:
Determining who should do what, based on their skills and motivation

Mindset:
- Instruction must be appropriate and clear to everyone
- Individual development

Step 1: Determine what to delegate
Step 2: Instruct each individually to write their plan
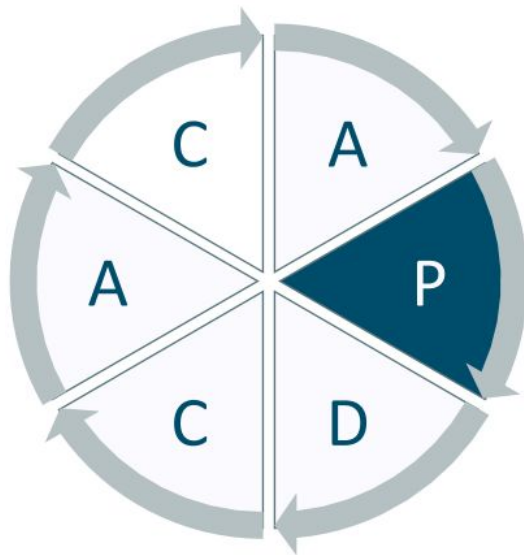**Step 3:** Be sure the sum of the agreed to actions totals the goals
Step 4: Have them write plans
Step 5: Make sure the plan is consistent with delegation
Step 6: Agree on the resources necessary to accomplish the goal

Notes:

Delegate the Planning

Write the plan

⬇

Agreed-to and realistic

Outcome for manager

⬇

Opportunity to see if "they" are clear
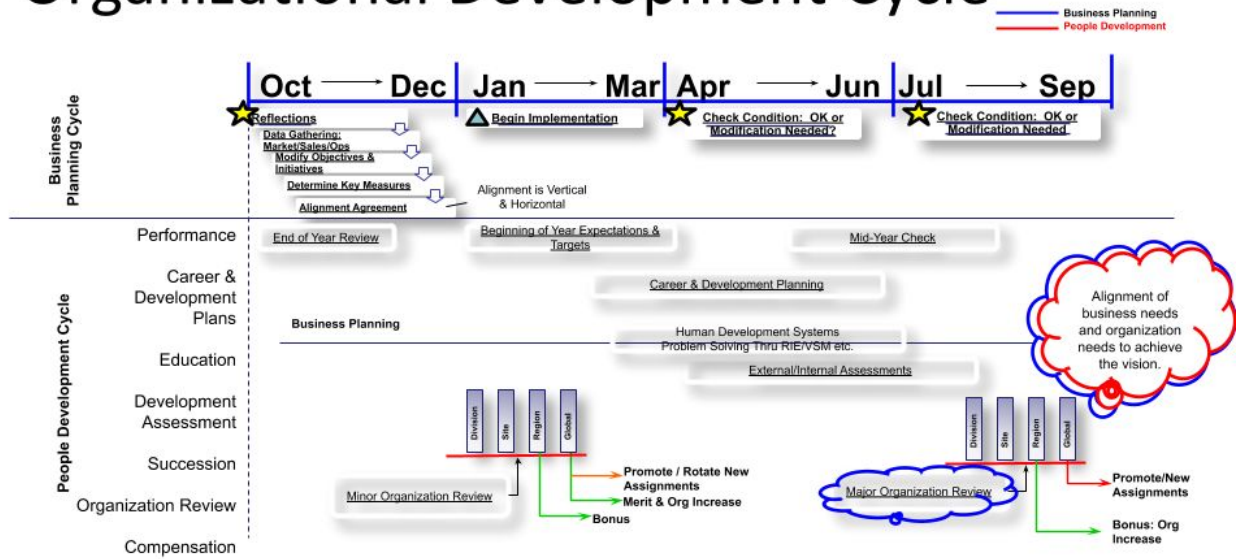
Notes:

'P' Connections to CI Control Tower

Culture of CI Tower

- Two Way Communications
- The Thinking System
- SA&D
- People Development
- Engagement
- Mutual Trust & Respect
- Accountability
- Process Structure & Mgmt
- Standards / SOPs
- Challenge / Courage

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Notes:

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Organizational Development Cycle

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Notes:

Micro Activity

Discussion
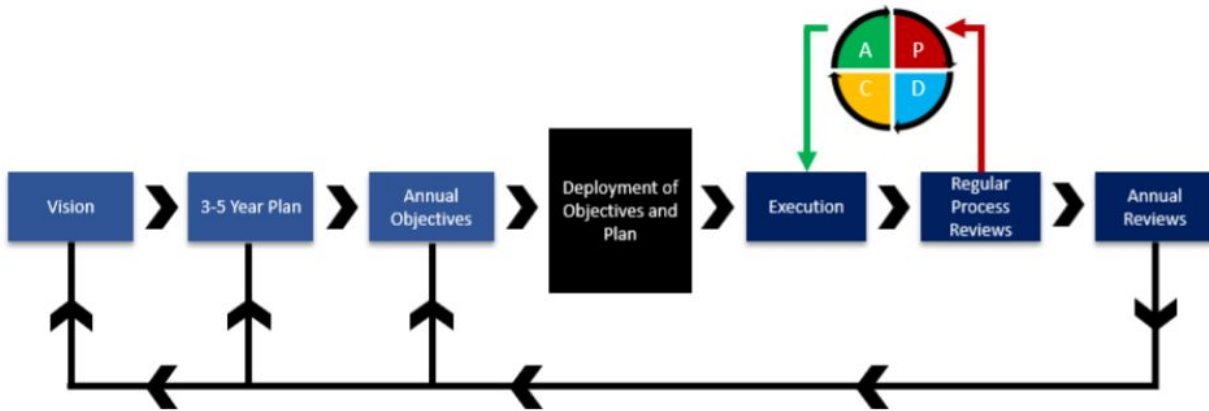- How would you apply this culture to building a plan?

Notes:

CAPDCA -- Plan

- A plan indicates the tasks, the measures of success (metrics), the responsible person, and a visual (Gantt) plan for start, finish and milestones
- Plan is the most resource intensive phase - ready, **aim, aim, aim, aim, aim, aim**, fire, check, adjust

Notes:

Planning Process Key Steps
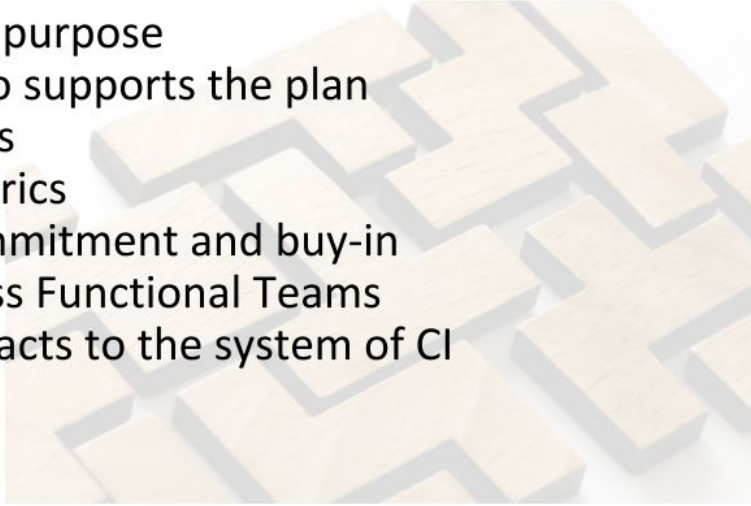
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Notes:

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Micro Activity

Discussion
- What are the keys to each of the steps?

Notes:

Things to Remember in Planning

- The purpose
- Who supports the plan
- Risks
- Metrics
- Commitment and buy-in
- Cross Functional Teams
- Impacts to the system of CI

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Notes:

Using Plans

- Plans are **standards**
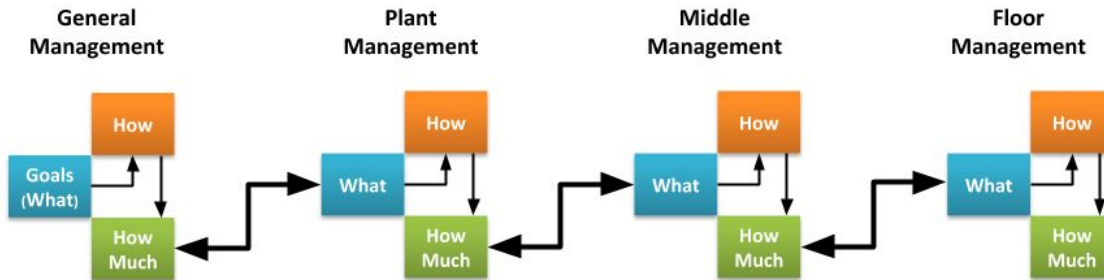- They are **commitments**
- They are written simply
- Plans must have a **process for monitoring** and coaching for success
- Plans must be **working documents**
- They should be **transparent**
- **They have common formats**
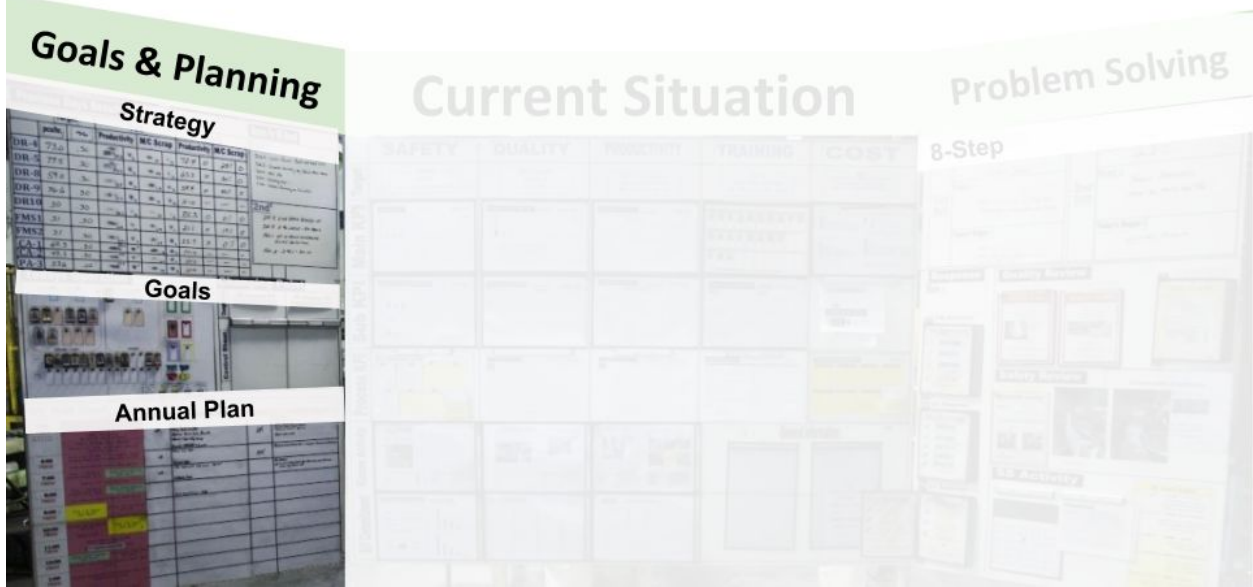
Notes:

Goal Deployment Process

Catchball

General Management	Plant Management	Middle Management	Floor Management

Notes:

Notes:

Micro Activity

Discussion
- What's the pattern that OMDS follows?

Notes:

OMDS

- The Office Management Development System (OMDS) Board is a communications and commitment board based on keeping focus on what is important to the organization
- How we use it
    - The basis of a standup meeting use as often as every day based on performance to goals
    - The leader is looking for problems not just reports
    - In a no-blame culture, problems are seen as opportunities to improve

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Notes:

OMDS

- OMDS is a system for **management** and **development**
- It is useful in management because:
  - It promotes two-way communication and keeps everyone in the department on the same page
  - It is a process for critical thinking and commitment
  - It is a visual system that compels action
  - It links all other systems used to perform CI
  - It is an activity that is performed daily
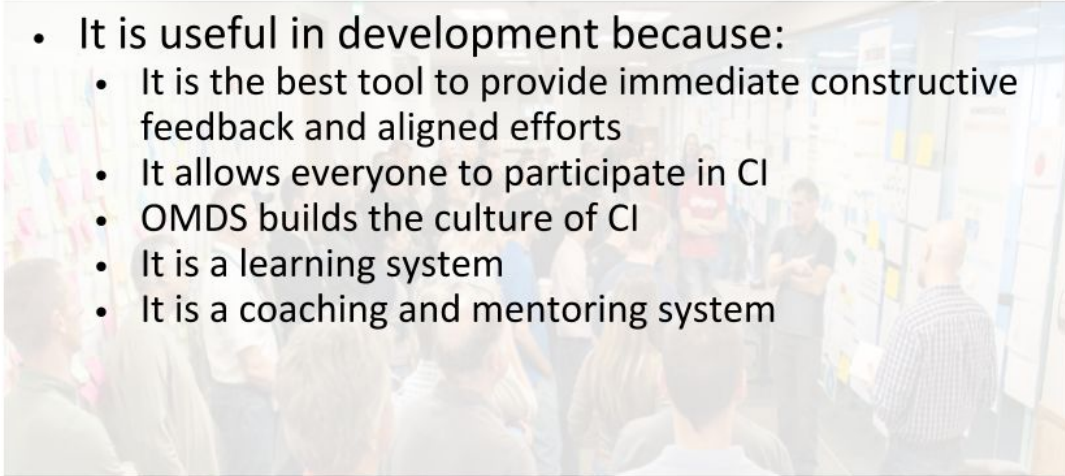 - It is updated daily

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Notes:

OMDS

- It is useful in development because:
  - It is the best tool to provide immediate constructive feedback and aligned efforts
  - It allows everyone to participate in CI
  - OMDS builds the culture of CI
  - It is a learning system
  - It is a coaching and mentoring system

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Notes:

OMDS - The Challenge

- The challenge for all daily management is to draw attention to what is important and respond to issues in an effective and timely way
- OMDS is about managing standards in a way to achieve improvement
- Using it as a living process

Gemba at the OMDS Board (Tracy Ross)

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Notes:

Micro Activity

Discussion

- What are the key points for OMDS in Plan?

Notes:

Metrics

- The Plan phase includes developing metrics that will let you know if things are on track
  - Metrics are standards
  - As few as possible
  - Tied to performance
  - Include behaviors
  - Focused on success
  - Line-of-sight to everyone
  - Leaves no misunderstanding of performance expectations

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Notes:

Metrics - KPIs

- Key Process Indicator (KPI), a metric which shows the health of a key process or business activity. A method of tracking or monitoring the progress within existing daily management systems. KPI can be Key **Performance** Indicator too.
- Examples (follow the logic of SQDCM):
  - Safety: Recordables and near misses
  - Quality: First Time Quality (each workstation & final), quality to the customer
  - Delivery: Total Cycle Time, man hours per unit, on-time delivery
  - Cost: Total cost of product and operation combined, days of inventory
  - Morale: Absenteeism, participation in CI, turnover, development to plan, opinion survey results

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Notes:

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Metrics - KBIs

- Key Behavioral Indicator (KBI), a metric which shows the health of a key behavior critical to the culture of CPI[2]
- Examples (following the logic of Competencies):
  - Ability to identify issues - Adherence to standards
  - Ability to carry out tasks and achieve targets - Appropriate judgment
  - Technical knowledge and capabilities - Technical proficiency

Notes:

Case Study

Case Study - WBY Organization

WILD BLUE YONDER CORP
Ready. Reliable. Precise.

General Manager
- Plant Manager
  - Mfg. Manager
  - Admin Manager
    - Purchasing Mgr
    - Prod. Control Mgr
  - Quality Manager
- HR Manager
  - Asst. HR Manager
  - CI Manager

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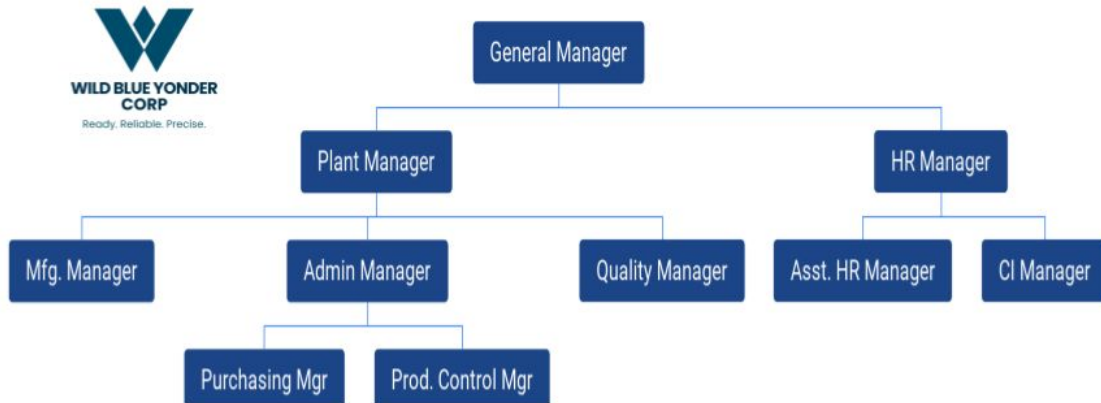
Notes:

Case Study - Assignment

- Your assignment is to develop objectives and a plan for the CPI^2 Integration goals within the application in the role of the HR Manager
- Expected Outputs:
  - Objectives and plan including What, When, Who, How for Priority 3
- These will be put into blocks two thru five of the 8-Step problem solving form (A3)
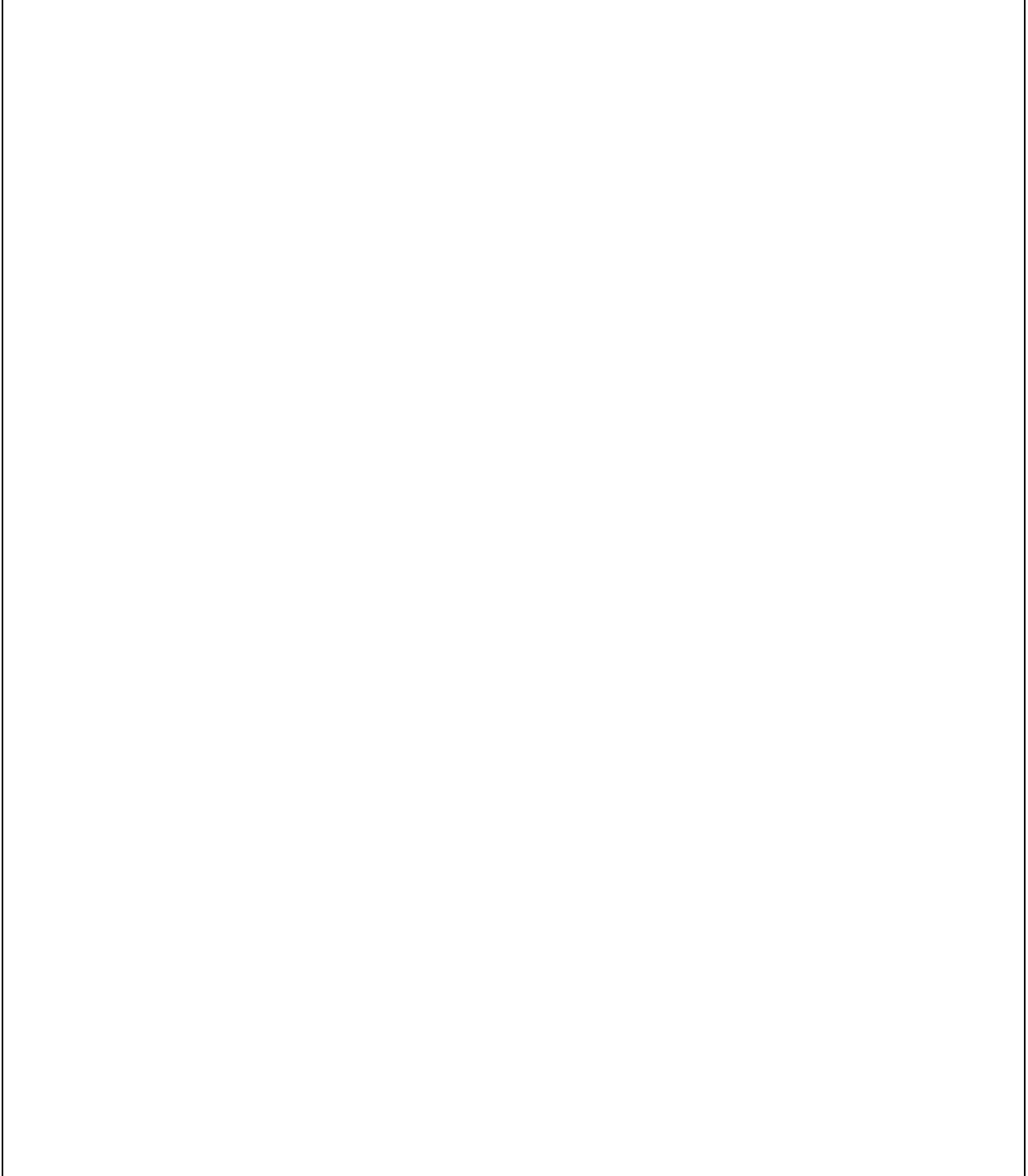
Notes:

Dialogue

Question: Where does alignment of goals come from?

Notes:

Application - WBY

This application will use the 8-step (blocks 2-5), the plan format (What, How, When, Who), and Catchball (with the instructors playing the role of the GM). You will work through the planning process for the GM's People Development or CPI[2] System goals.

Discussion - WBY
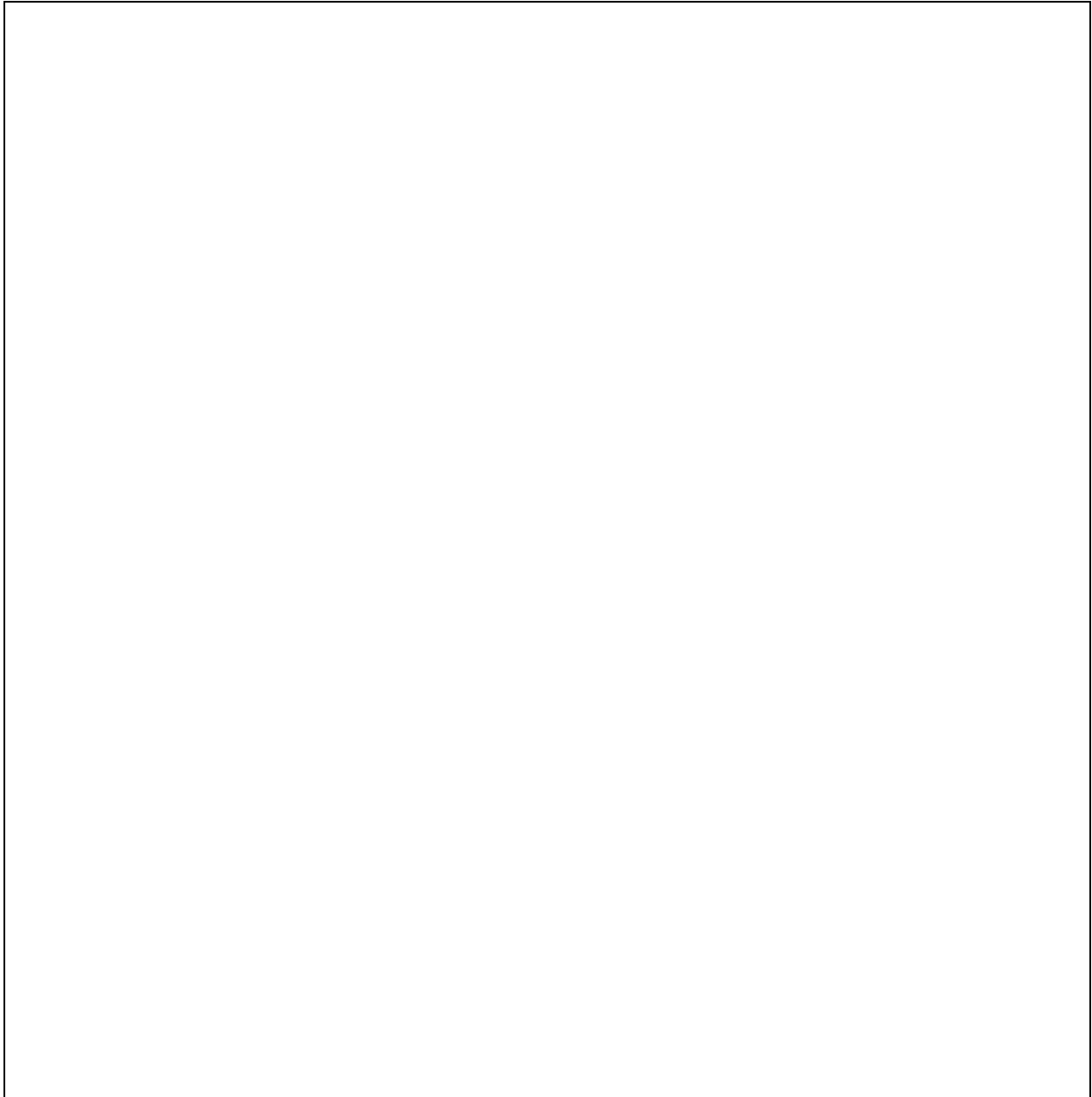
Notes:

Application - AF

In your sub groups write a plan for two objectives for the AF to implement CPI^2 in career field education. Discuss what support would be needed to make this process possibile in the Air Force?

Discussion - AF

Notes:

Group Discussion

Each sub-group will present their responses and the whole group will discuss.

Why is it so difficult to get people to plan?

What environment creates the desire to plan well?

How do you reinforce this during the review period?

Notes:

Challenge (Takeaways)

Through Goal Deployment (or Strategy Deployment, or Policy Deployment -- it has many names, but the same mission) the planning has engaged and aligned the whole organization so everyone is working on the same organizational priorities and is incentivized to put effort into a positive outcome. With planning complete, you are now ready for executing the plan (Do) and verifying that the plan's execution is resulting in the outcomes you desire (Check).

The following page shows competencies and behaviors that are necessary to Check / Act (Adjust). The complete table of competencies and behaviors for CI can be found here <https://leancpi.com/af-cpi2/cpi2-class-20-06/#reference-material> (scroll down to "AF Competencies & Behaviors for Continuous Improvement").

Reflection Homework: Write 3 reflections on the Planning Competencies provided to you below and in the table and the implications for AF career field education.
1.

2.

3.

Chapter 2 Homework

- Review the competencies related to 'P' below and be prepared to discuss them during the next class session (ref: AF Competencies for CI)
    - Competency - Ability to carry out tasks and achieve targets; Behavior - Appropriate judgement
    - Competency - Ability to carry out tasks and achieve targets; Behavior - Decision making
    - Competency - Ability to manage an organization; Behavior - Prioritization and allocation of resources
    - Competency - Ability to manage an organization; Behavior - Establishing framework and systems for management
    - Competency - Technical knowledge and capabilities; Behavior - Technical proficiency

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Notes:

Confirm Objectives & Quiz

Quiz: https://forms.gle/Taqny3PzDnFszzxWA

Objectives	Met?
Able to explain the value of planning	
Able to describe the Process for Goal Deployment	
Understand key competencies for Planning	
Understand the key process steps for Plan	
Can describe KPIs vs. KBIs	
Understands the purpose and process for an OMDS Board	

Chapter 2 Reference Materials

Case Study - What and How

Plan (What and How to create the plan to accomplish the goals and develop the individuals)

- What
  - Plan for the people required and the movement of them to new positions
  - Plan for process improvement
  - Plan for development of the individual and requirement for training
  - Plan for training
  - Plan for Standard work
  - Plan for continuous improvement
- How
  - Succession and Development
    - Revise Development planning process
    - Tie Development to performance appraisal and competencies
    - Update the succession planning process
      - New process with forms
    - Improve Salaried job rotation process
    - Create leadership training in delegation and coaching- courses

- How (cont.)
  - Training
    - Provide all reallocations to the new facility by July 2021
      - Accelerate and sustain Team Leader and Supervisory training
    - Team Leader OJT
  - Standard Work
    - Achieve 99% production without countermeasures
      - This means standard work teaching and adherence
  - Continuous Improvement
    - Continuous Improvement process
    - Opinion Survey
  - Quality
    - Quality focused problem solving to get back on target
    - Create the environment of acceleration of trials for ideas- Quality circles methodology

Keep your level in mind. You are not a task performer

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Case Study - Background

- **The Manufacturing Manager**
  - Manufacturing is losing 10% of their Team Members in July '21 to go to Plant 2 (27)
    - The task is to improve productivity to replace each of those leaving for Plant 2
    - In order to accomplish this the Manufacturing Manager has identified his top four priorities:
      - Failure to follow Standardized Work resulting in missed parts and line stoppages
      - Over tightening fasteners on the assemblies
      - Reduce the number of people by 28 out of 26 to achieve productivity improvement
      - Replace Team Leaders going to Plant 2
    - This will involve the entire Manufacturing workforce--they will be aligned to accomplish the continuous improvement listed above
    - To achieve this every team will be assigned the productivity increase and "back to the basics" for standardized work. They will be supported by the CI Group
    - The maintenance team will be assigned the responsibility to create mistake proof devices for torque run down

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Case Study - Background

- Continuous Improvement Manager
  - This group will lose 6 of the 36 Team Members
  - The organization is very new to their positions but have proven to be very good at their support of CI in Plant 1
  - The distribution of CI Team Members' experience is 20 with less than one year and 16 with more than one year
  - The six that leave will have to be half from the experienced group and half from the one year experience group
  - To accomplish this a significant training OJT process will have to be undertaken
  - The process will last the entire 9 months CI has until their Team Members are required in Plant 2
  - The specific projects they will be learning is the reallocation preparation for the waste reduction analysis and implementation.
  - The rest of the group will work to support the evaluation of the standard work

Case Study - Background

- Administration Manager
  - Has the large task of providing administration support to Plant 2 with no increase in manpower
  - This group currently has 60 Team Members which are in three departments: Production Planning, Purchasing and Accounting
  - The plan involves the analysis of the tasks for each of these along with the requirements for the new plant
  - The Administration Manager has goals to accomplish the complete reallocation of services provided to provide them to Plant 2 without increasing headcount
    - A group of 5 members will be part of a continuous improvement working group who will do the analysis, develop the standard work, find applications for newly available integration software, and reallocate the work to be accommodated with the current numbers of personnel

Reflections from the OMDS Board

Daily Management

- **(S) Safety**
  - On Target
- **(Q) Quality**
  - Not Meeting Target
- **(D) Delivery**
  - On Target
    - Capacity - Process true capacity is accurate but will have to be assessed frequently
    - First year of productivity increase of 3% - Not Meeting Target
- **(C) Cost**
  - On Target
  - Continuous improvement suggestions (30%) off

Reflections from the OMDS Board

Daily Management (cont.)

- **(M) Morale**
  - Absenteeism and Turnover below (better) targets - On Target
  - Manpower plan on-going with target missed
    - Recruitment - Recruiting and hiring - Not Meeting Target
  - Training
    - 40 hours development target for all members completed (includes OJT for Team Members)
      - Standard Work
      - Process accountability to standard work variable
      - Job Instruction Process installed and successful
      - Team Leaders were not proactive in solving quality problems
      - Response to Andon pulls not meeting standard of 20 seconds to the problem
      - Accountability of the Team Member for a continuous process improvement
- (Need bullets for opinion survey from John, also need to move to a second slide)

WBY Manpower Changes

	Plant 1 ('20)	Plant 1 ('21)	Plant 2 ('21)
Total	400		200
Team Members	267 (67%)	240	152 (76%)
Team Leaders	44 (11%)	40	28 (14%)
Group Leaders	13 (3%)	12	10 (5%)
Pilot Line	8 (2%)	2	6 (3%)
Continuous Improvement	8 (2%)	2	4 (2%)
Administration	60 (15%)	60* *supports both plants, must achieve 33% pro rata reduction to 10% of manpower	

Case Study - GM Thoughts on Planning

- The key to aligning is the leader giving the subordinates their goals and the subordinates writing their plans
- Goals foster plans which list the actions required to demonstrate an understanding of the goal and how to achieve it
- Process must be specific to each individual at all levels to show commitment
- Leaders must properly instruct their subordinates and then they must do the same for their subordinates, and so on
- Every level of the organization must have goals
- Team Members will have their goals given to them and they will respond with the standard work that aligns to them