Case Study – Implementing visual management

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Acknowledgments

Mr. Ray Griffiths CEO
Mr. Mark Devlin – Manager Innovation (2008-2011)
Ms. Hollie Gourlay – Project Leader
Ms. Emily Podsiadly – Project Leader
Kangan Institute

- 6 campuses in metro Melbourne.
- 300 nationally recognised qualifications & short courses
- Approximately 40,000 students annually
- 1000 ongoing employees & approximately 200 sessional teaching staff

Business Units E-works and Vetassess

Real education. Real skills. Real jobs.
What is Lean?

“Lean is a set of concepts, principles and tools used to create and deliver the most value from the Customers’ perspective while consuming the fewest resources and fully utilising the skills and knowledge of those who do the work.”

_Lean Enterprise Institute_

A philosophy of:

- Continuous Improvement
- Eliminating Waste
- Built in Quality
- Respect for People
One of the first educational enterprises in Australia to make the Lean journey an integral part of our long term strategy.
The need for change - Internal drivers

- Improve quality – eliminate the find and fix mentality
- Engaging our people – developing a culture of quality
  - Customer focus
  - Flexibility
  - Innovation
  - Business minded
The need for change – External drivers

- Technological change
- Knowledge everywhere
- Learning everywhere
- Customers tech smart
- Customers empowered with choice – quality competition
- Contestable funding
Early lessons

- Consultants
- Conferences
- Visits to Lean enterprises
- Support from our Competitive Manufacturing team
- Pilot projects
Where to start?

• Streamlining steering committee
• Developing a master plan
• Choosing projects:
  • Pillars, Platforms and Pathways (Hines, P. SAPartners 2010)
  • Building Kangan Institute Lean stories
Pathways — Kotter’s 8 steps of change

(Kotter, J, 1996)

1. Establish a sense of urgency
2. Create the guiding coalition
3. Developing a vision and strategy
4. Communicating the change vision
5. Empowering broad based action
6. Generating short term wins
7. Consolidating gains and producing more change
8. Institutionalising new approaches in the culture.

Real education. Real skills. Real jobs.
Kangan’s Lean Journey

**Maturity measure - adapted from Boeing (2008)**

| **Awareness:** | Commitment to pursue a long term Lean journey  
|               | Alignment with organisational objectives |
| **Skill Up**  | Developing leaders and key staff to enable appropriate support  
|               | Developing frontline teams               |
| **Apply**     | Focus on autonomous department based projects  
|               | Creating high performing Lean departments |
| **Improve**   | Linking systems  
|               | Improvement approach                     |
| **Sustain**   | Keeping the system functioning           |
**KI: Lean Maturity Assessment**

*Where are we now? Where do we want to be in 3 years?*

<table>
<thead>
<tr>
<th>Maturity Attribute</th>
<th>Reactive</th>
<th>Formal</th>
<th>Deployed</th>
<th>Autonomous</th>
<th>Way of Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Associate autonomy</td>
<td>2. Little or no involvement</td>
<td>2. Only specialists</td>
<td>2. Selected teams</td>
<td>2. Majority of involvement</td>
<td>2. Full empowerment</td>
</tr>
</tbody>
</table>

**Strategy Deployment**

<table>
<thead>
<tr>
<th>Value Stream</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
</tr>
<tr>
<td>Tools &amp; Techniques</td>
</tr>
<tr>
<td>Extended Enterprise</td>
</tr>
</tbody>
</table>

**Legend**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2014</th>
<th>2018</th>
</tr>
</thead>
</table>
‘Skill up’ phase/Tools & Techniques

- Using visual management across the Institute
- Problem solving
- Cleaning up the workplace
- Understanding customer value
- Understanding the ‘8 wastes’
- Small incremental improvements
- Developing and maintaining standards
- Teamwork - communicating more than ever before
Visual Management – what is it?

• It is the practice of **communicating** messages **visually**, to manage work, understand systems or follow directions.

• **Visual** management is a clear and simple way to organize and present information.
Why use visual cues?

- To be able to ‘see’ with our eyes and our ‘minds eye’
- It can help to crystalise ideas, think outside the box,
- Any problem can be made clearer with a picture.
- Easier to communicate and help others ‘get it’
- Information that is visible, creates *transparency* for all employees and informs expected behaviours positively.
Types Of Visual Displays and Controls

Examples:

Passively shares information by indicating or telling.

Sends information by first catching attention.
Types Of Visual Displays and *Controls*

Sends information and limits responses.

Ensures the right thing will happen.
Visual management – is everywhere
Visual management – is everywhere

Following items are not permitted on escalators

Children must be supervised

Please ride safely
Kangan’s Visual Management
(VMB’s)

- Transparency
- Accountability
- Systems thinking
- Problems are good
- Team development
VMB’s at Kangan

Benefits:

- Builds trust and positively influences the *behavior and attitude* of team members, managers and stakeholders.
- Enables the team to see what’s going on and respond to issues rapidly.
- ‘A picture paints a thousand words’. When you can quickly see what’s going on you don’t waste time and energy trying to work it out.
- Shared problems across departments are made visible to managers and other KI team members.
- Easier to see patterns when results are expressed as diagrams or charts rather than numbers or reports.
Visual Management Boards – (VMB’s)

85 Visual management boards across the Institute
Visual Management Boards (VMB’s)

5 Principles

- Simple
- Accessible
- Visible
- Current
- Standardised

Gemba: Go see, Ask why, Show respect
Visual Management Boards (VMB’s)

The Standard Template
The Kangan Institute VMB has 4 key recording modules.

1. Key Measures
2. Operational Work
3. Team Information
4. Problems and Resolutions

Extra modules are:
5. Today
6. Kaizen

Each module size is flexible and can be arranged to best suit the team.
Problem Solving — root cause analysis

The 5 whys
Using visuals to understand - Pareto Chart

<table>
<thead>
<tr>
<th>Students Late for Class</th>
<th>No.</th>
<th>Percent</th>
<th>Cumulative %</th>
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<tbody>
<tr>
<td>Monday</td>
<td>34</td>
<td>40.96</td>
<td>40.96</td>
</tr>
<tr>
<td>Friday</td>
<td>29</td>
<td>34.94</td>
<td>75.90</td>
</tr>
<tr>
<td>Tuesday</td>
<td>12</td>
<td>14.46</td>
<td>90.36</td>
</tr>
<tr>
<td>Wednesday</td>
<td>6</td>
<td>7.23</td>
<td>97.59</td>
</tr>
<tr>
<td>Thursday</td>
<td>2</td>
<td>2.41</td>
<td>100.00</td>
</tr>
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</table>

Real education. Real skills. Real jobs.
Using visuals to understand – Check sheets

<table>
<thead>
<tr>
<th>Reason</th>
<th>Mon</th>
<th>Tues</th>
<th>Wed</th>
<th>Thurs</th>
<th>Fri</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wrong number</td>
<td><strong>4</strong></td>
<td><strong>1</strong></td>
<td>1</td>
<td><strong>4</strong></td>
<td><strong>5</strong></td>
<td>20</td>
</tr>
<tr>
<td>Info request</td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td>10</td>
</tr>
<tr>
<td>Boss</td>
<td><strong>4</strong></td>
<td><strong>1</strong></td>
<td><strong>5</strong></td>
<td><strong>1</strong></td>
<td><strong>3</strong></td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>6</td>
<td>10</td>
<td>8</td>
<td>13</td>
<td>49</td>
</tr>
</tbody>
</table>
Problem Solving – A3’s

Wayfaring – problem solving
Online learning

Introduction to Lean

Welcome!

Welcome!

Today you are going on a journey around a virtual Kangan Institute campus to learn about Lean.

Welcome!

Today you are going on a journey around a virtual Kangan Institute campus to learn about Lean.

Click the doors to enter.

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Online learning

Accredited eLearning (VET sector)
Online Learning Australia - WINNER with Visual Management Board
Online Learning

Problem Solving

Introduction

What is a Problem?

Identify a Problem

The PDCA Cycle

The A3

Conclusion

Lean Methodology

Problem Solving

Problem = achievement x obstacle

Ishikawa (Fishbone) Diagram

The 5 Whys

Help

Exit
Online learning

Problem Solving

What is a 'problem'?

problem = achievement \times obstacle

what exists

what is desired

goal objective purpose

Show Menu

Internet

Back | Next

100%
Communication Strategy

Our own Lean stories
Communication Strategy

Intranet, CEO monthly message, posters, e-newsletters, staff briefings, enterprise social networking, gemba walks.

Ray discusses our ongoing OHS policies and the new “Safety Cross” alert tool to be used by all departments via their VMBs. In addition to this, Ray also covers the great results we've been having on our Nulls and the ongoing 3Rs required to remain competitive in this contestable market.
The future – more to do…

- More staff engagement
- Leadership buy in
- Strategy deployment – the right measures
- Identify value streams
- Standardised work
Conclusion - thank you

Marathon not a sprint. Team not an individual
References


  
  [http://www.sapartners.com/content/view/99/87/lang/] /


  

- Shook, J (2008) *Managing to Learn* The Lean Enterprise Institute, Inc. Cambridge, USA.

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