

Sustaining Implementations: Strategy for Staying on Track

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**BREAKTHROUGH RESULTS
FOR GOVERNMENT AND
BUSINESS**

Background



Despite the best of the intentions of management and implementers, the Continuous Improvement initiatives

- Don't produce desired results (not quick enough)
- Don't sustain

Agenda

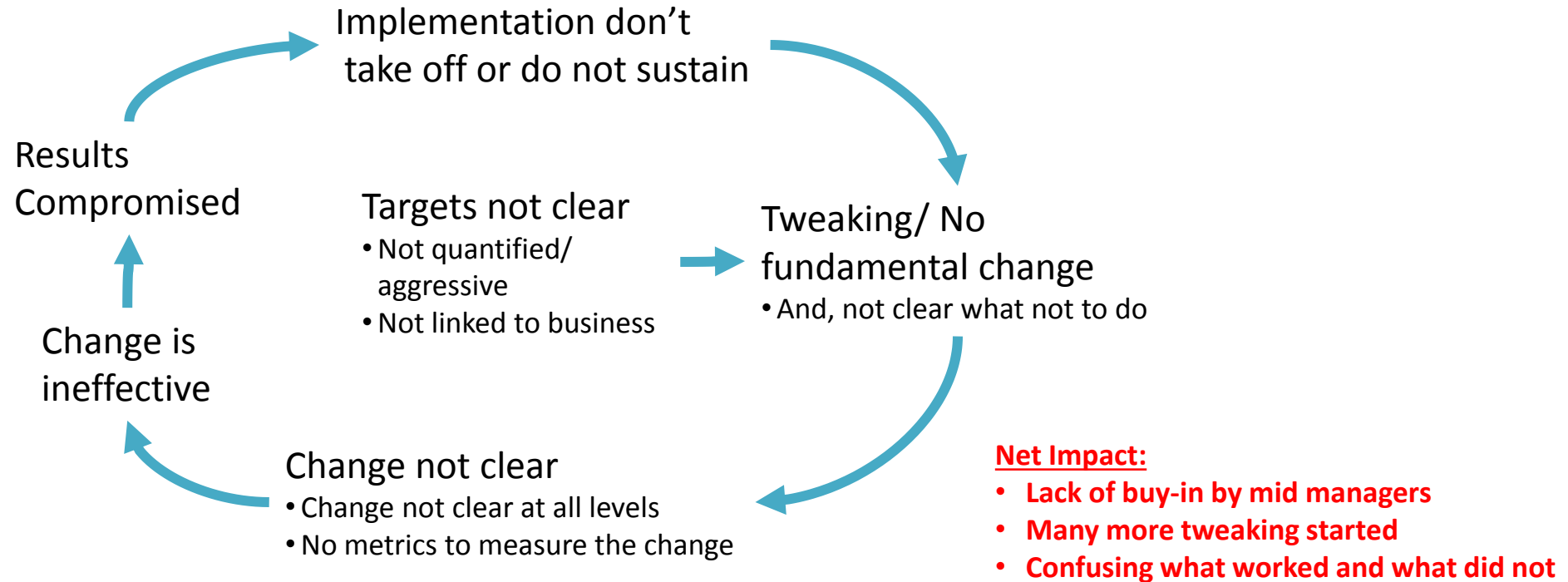
- Challenges in Staying On-Track and Sustaining
- Cause and Effect
- Direction of Solution
- Examples

Challenges in Staying On-track/ Sustaining

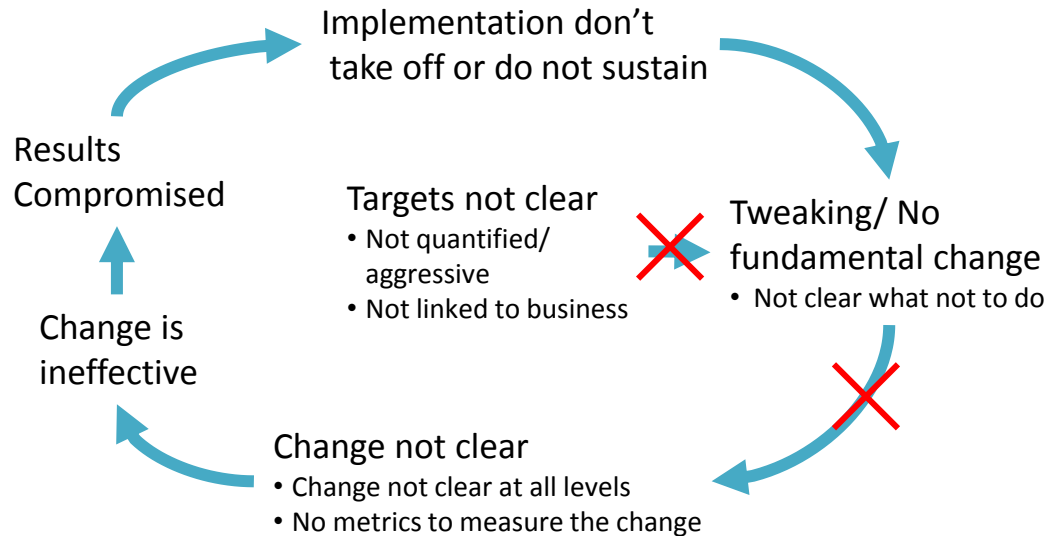
- Targets are not defined well
- People perceive targets as arbitrary
- Implementation does not take off
- Implementation does not produce the right results
- Results are attributed to something else
- People don't understand the change
- Harder to drive the change in organization
- Harder to sustain with every little change in management
- ...

Continuous Improvement initiatives can be
confusing to an organization

Vicious Cycle



Reversing the Vicious Cycle: Useful Strategies



Direction of Solution:

1. Aggressive targets that are linked to business should drive the change
2. Ensure changes are 'Physical' and metrics established for the change
3. Create a 'Decision Tree' – what change will lead to what effect
4. As much as possible, embed the metrics in the official system

Aggressive Targets Tied to Business

Current situation

Revenue (10 Projects)	= \$100M
Material Cost	= \$ 50M
Labor and Overhead	= \$ 40M

Margin	= \$ 10M

Future situation

Revenue (11 Projects)	= \$110M
Material Cost	= \$ 55M
Labor and Overhead	= \$ 40M

Margin	= \$ 15M

- In above example, the objective is to increase profitability. The target is by 50%
- Smaller targets will drive tweaking only. Aggressive targets will force to think differently
- ...

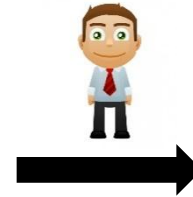
Make the Change 'Physical'

- Important to understand what is changing and what is not.
- Physical changes are those that can be measured, seen, felt and verified
- Usually a metric is required to measure the physical change. An example
 - Measure WIP (work in Process) as a measurement of Multitasking. Current WIP of 4 is Multitasking and moving to 2 is Low Multitasking
- Example of good intent but not a Physical change:
 - We have to increase focus (reduce multitasking) but we don't define what is bad multitasking

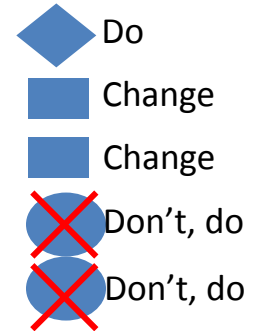
Before



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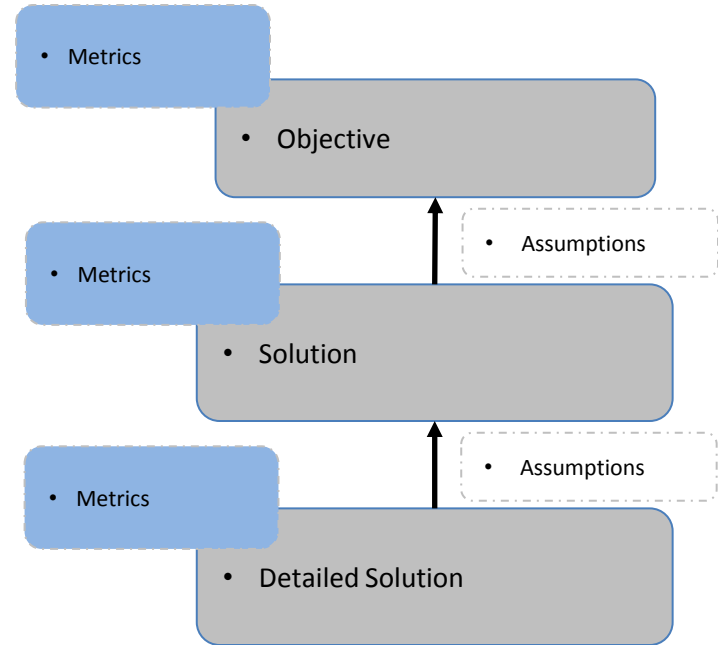
Physical Change



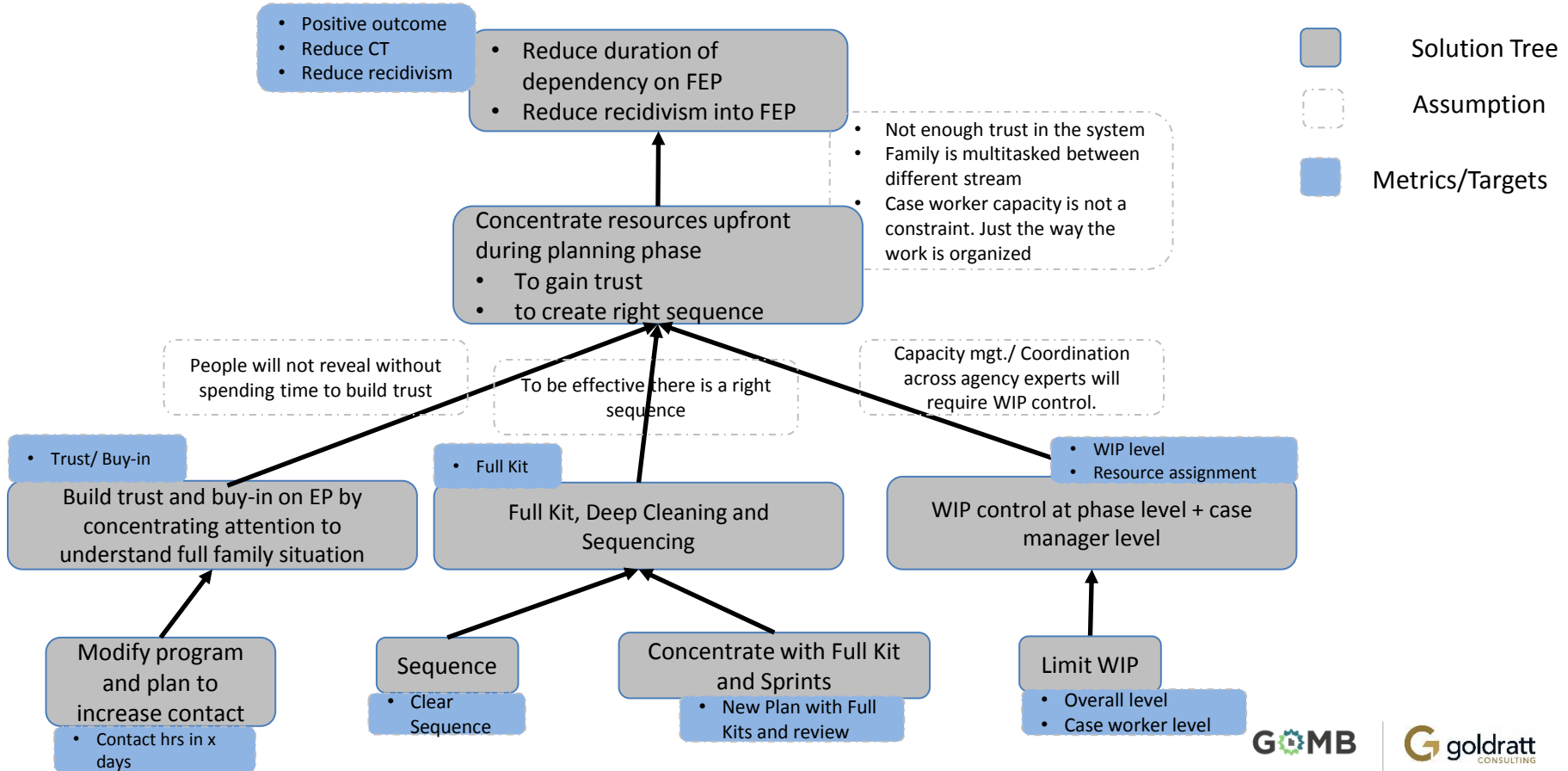
3 Change

Decision Tree: Logic of Change and its Effect

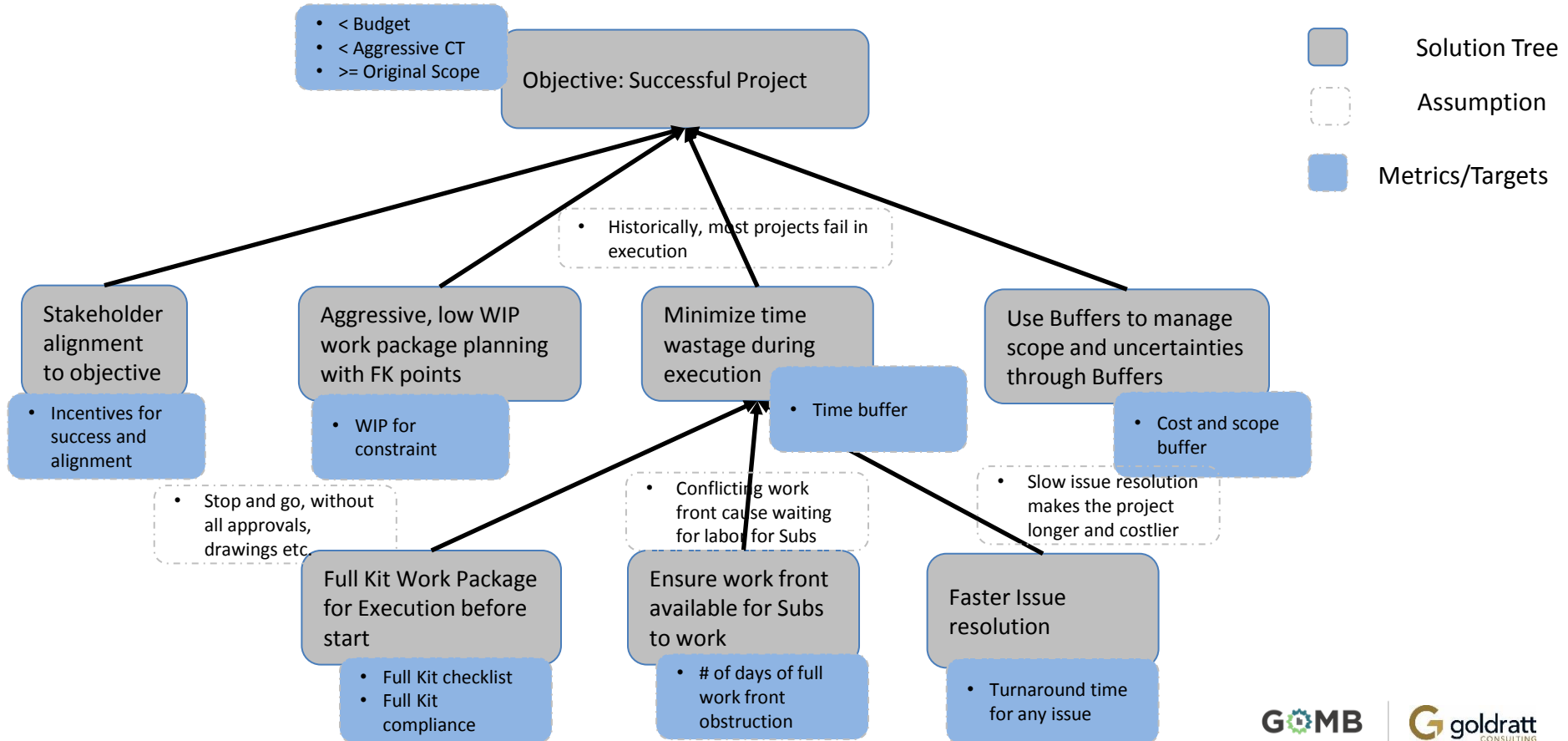
- Connecting the Physical change to its effect is a Decision Tree
- The top level is the objective
- Physical change must be articulated at the bottom with metrics
- Change must be clear at all levels
- Keeps the tree to one page



Example 1: Family Employment Program (FEP)



Example 2: An Infrastructure Project (Partial Example)



Summary: Helpful Strategies

1. Make targets aggressive and link it to business needs
2. Ensure that changes are 'Physical' and can be verified through metrics or other means
3. Create a short 'Decision Tree' to guide how the change will help achieve the objective
4. As much as possible, embed the change/ metrics in the official system