

The 3 Keys to Reactive Improvement

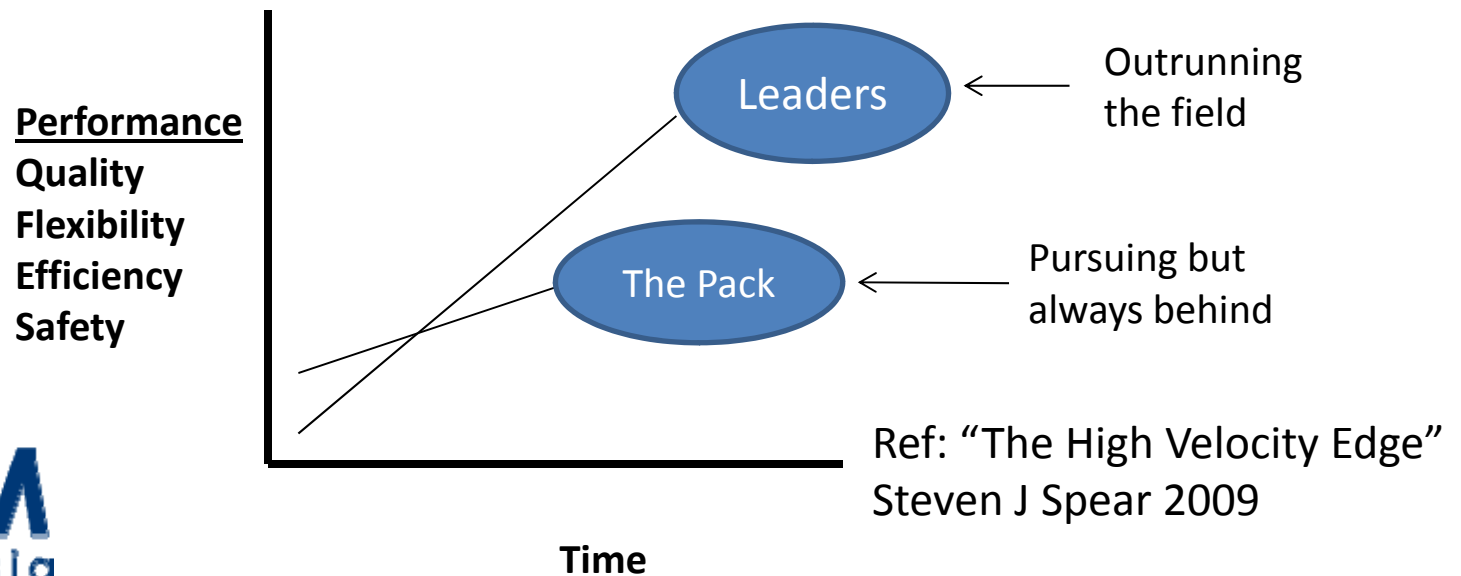
CTPM Webinar

Wednesday 24 October 2012



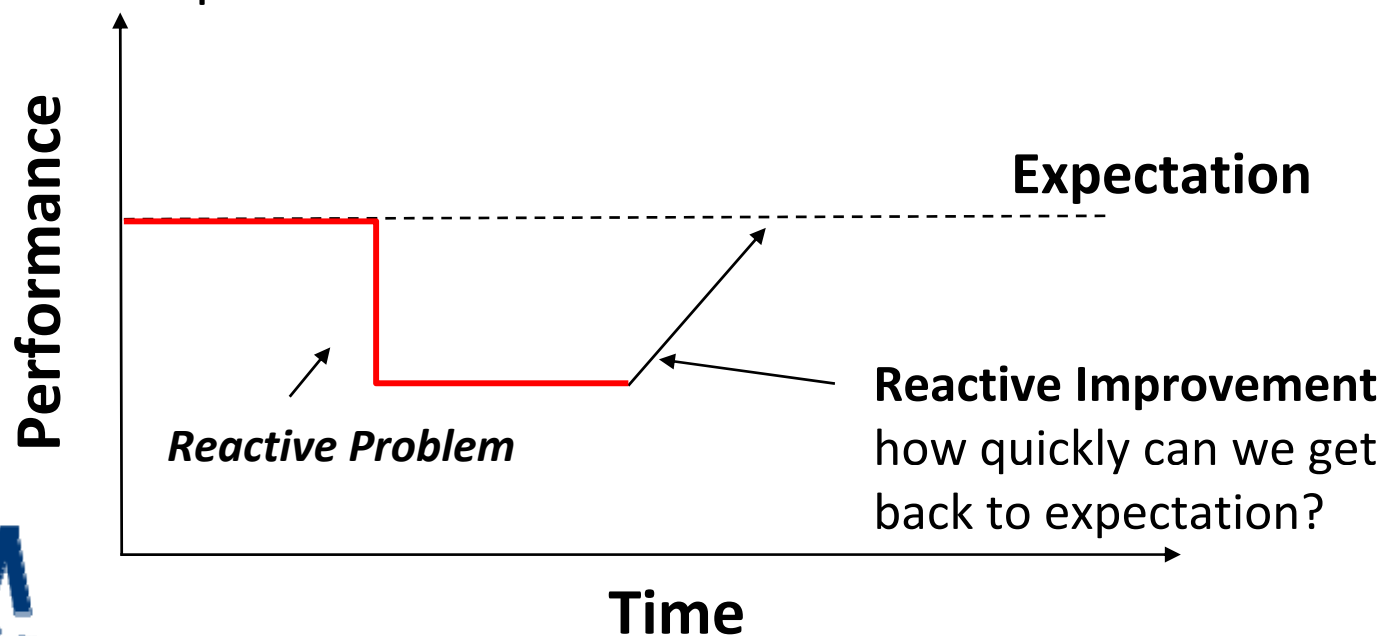
Why do you need to be good at reactive improvement?

- Business processes are getting more complex
- Unlikely that there will be perfect processes
- The speed of improvement and problem solving is a competitive advantage



What is a reactive problem?

- Expectation has not been achieved for the day
 - Quality-Parts produced are below required specification
 - Delivery-Customer did not receive product on time
 - Safety-An incident or injury occurred
 - Reliability- A system (I.T, comms) or piece of equipment did not work to required level



Proactive vs Reactive Improvement

- To achieve Operational Excellence organisations need to be good at both.
- Organisations can sometimes lose sight of the importance of effective reactive Improvement

“How can you reach higher when the platform you are standing on is unstable?”

2 approaches to Improvement

Pro-active Improvement

- Identifying and addressing opportunities that are strategically important to the business

Reactive Improvement

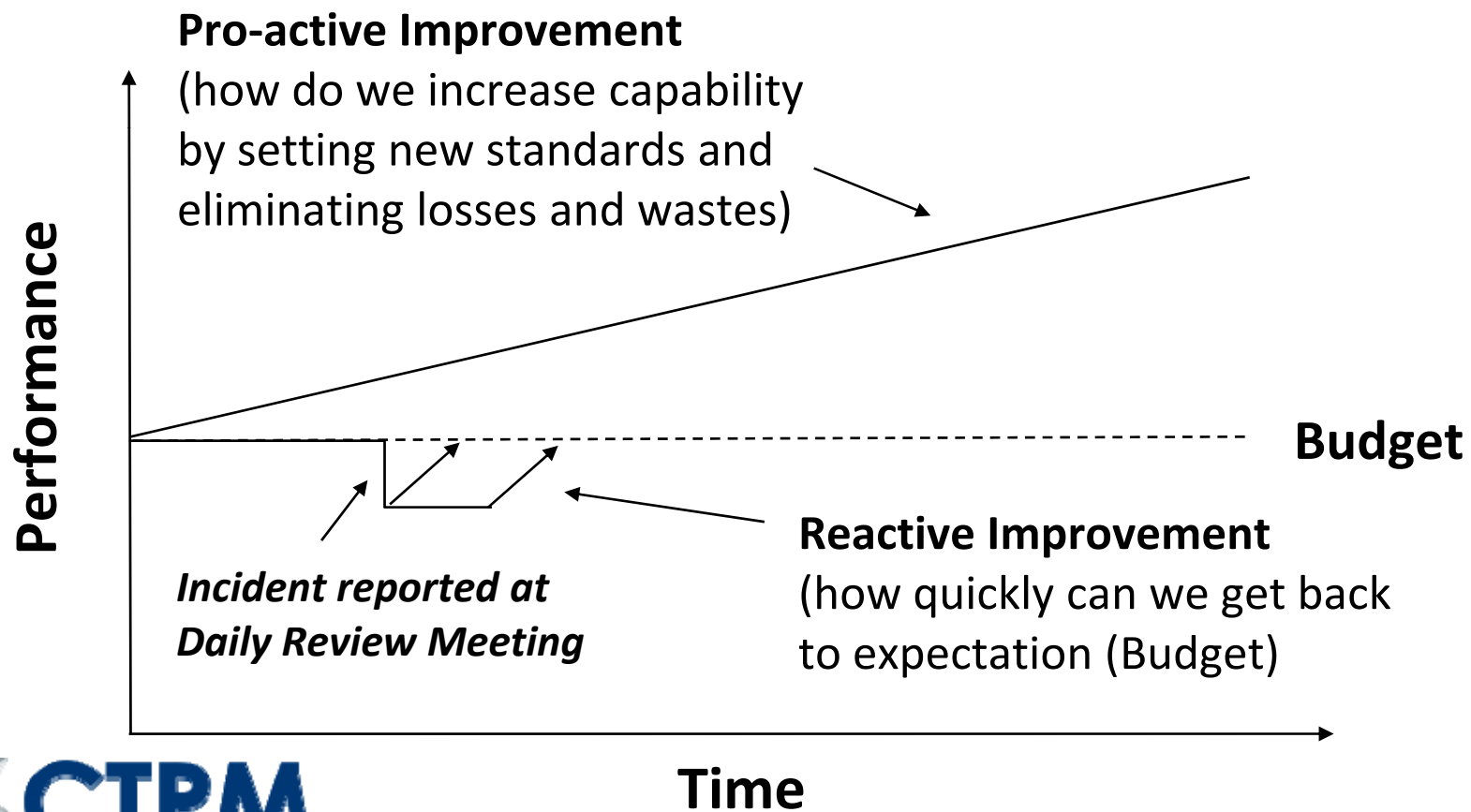
- **using Frontline Problem Solving**
- responding to problems / incidents as they happen in the workplace

Where Problem Solving is based on the **scientific method** of:
Plan - Do – Check - Act

The 2 approaches to Improvement

Reactive – ensure you achieve Budget

Pro-active – take you above Budget



3 Keys to Reactive Improvement

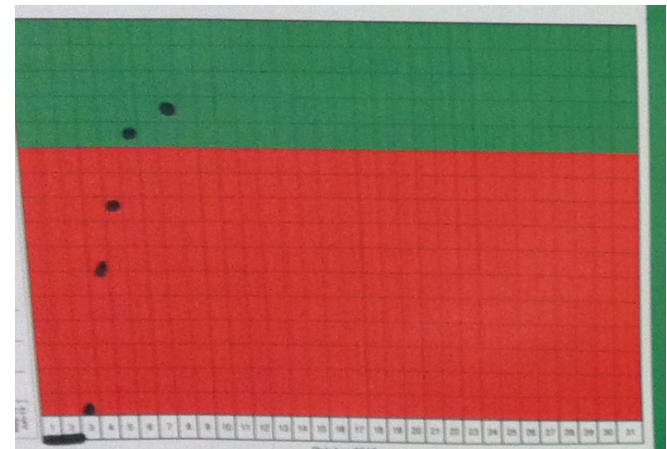
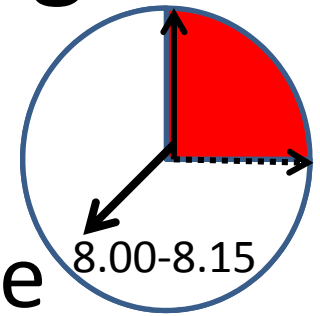
1. Effective Daily Review meetings
2. A structured methodology for problem solving
3. Clear policy for tackling problems

Effective Daily Review Meetings

- Most companies have them. Not all are effective
 - Do not highlight daily problems
 - Have no clear process to tackle the problems raised
 - Accept 'work-a-round' corrective actions
 - Follow-up is ad-hoc
 - Poor monitoring or closure
 - No clear agenda or time constraint for meeting

Effective Daily Review Meetings

- Structure → agenda and timeframe
- Punctuality → Start and finish on time
- Information updated prior to meeting
- Graphs and information clear



Effective Daily Review Meetings

- Any deviation from expectation noted with reason and action taken
- Triggers for activating Frontline Problem Solving displayed
- If trigger activated then designated person assigned to report back within agreed timeframe

Structured Methodology for Problem Solving

- Why do we need a common approach for problem solving?

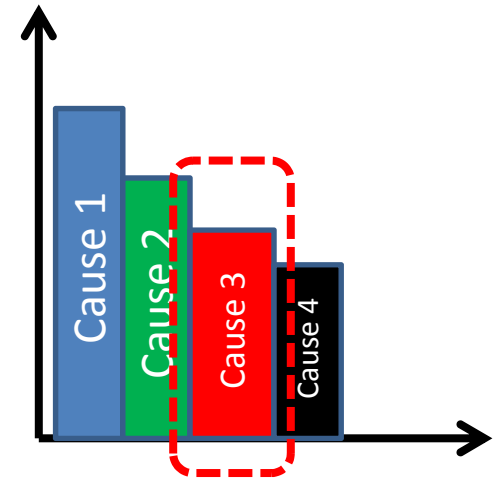
Problems are multi-faceted

- Large problems almost always contain many smaller problems within them
- The only way to attack a problem is to understand the smaller problems and tackle them one-by-one

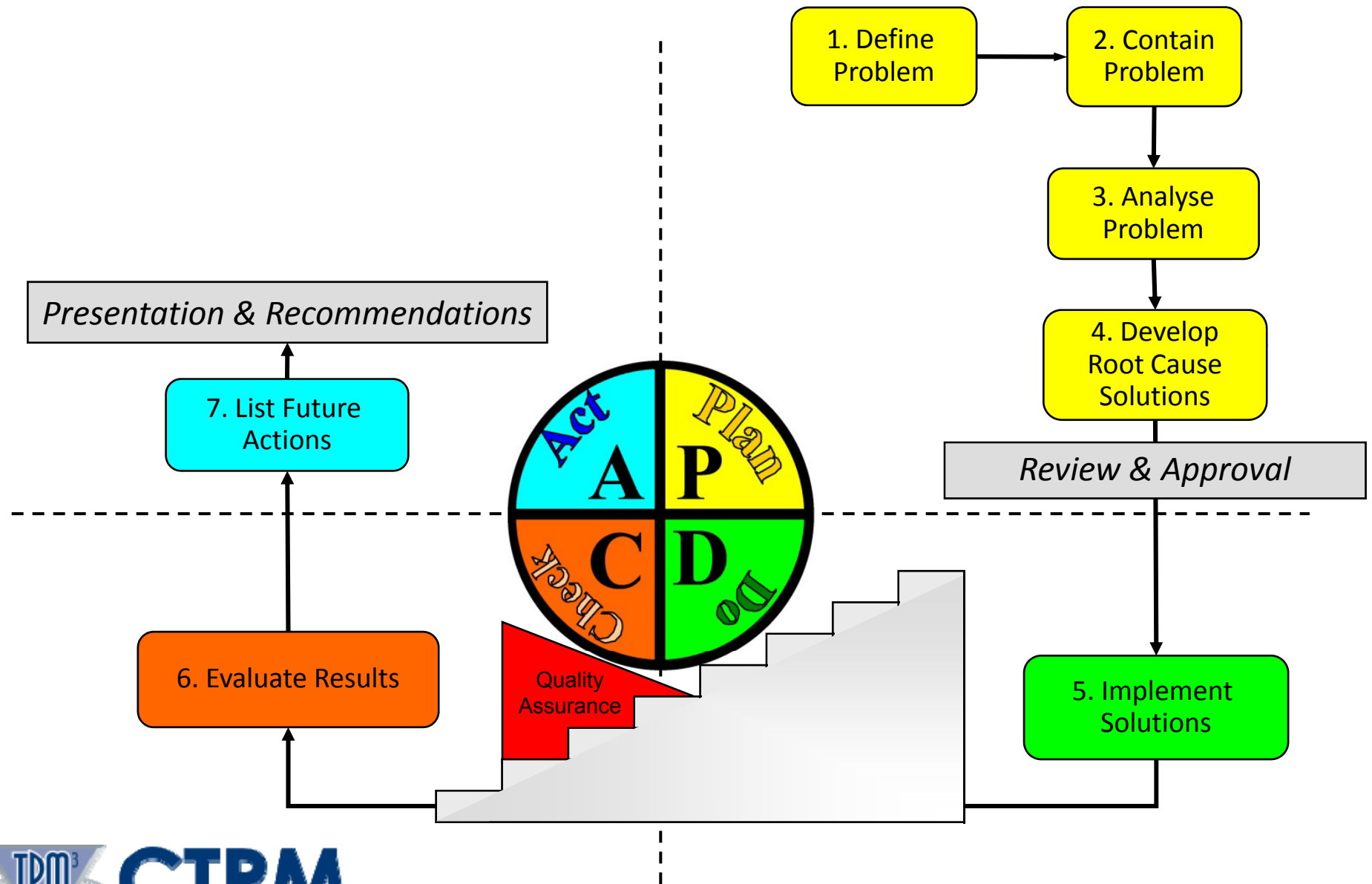


Lots of resources are wasted in ineffective problem solving

- Most common approach is for people to propose a solution based on gut feel and personal experience
- Problem → Possible Solution → Varied result
- $P D_{CA}$ → Little or no analysis, all action
- Countermeasure is applied but not maintained



7 Step Problem Solving Process



The Frontline Problem Solving Process

Deming's P-D-C-A	7 Step Process
Plan	1. Define Problem
	2. Contain Problem
	3. Analyse Problem
	4. Develop Root Cause Solutions
Do	5. Implement Solutions
Check	6. Evaluate Results
Act	7. List Future Actions



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PDCA → Thorough analysis → speedy action

The A3 document

Improvement Theme: Reduce losses due to broken product	Title: Stop Breakage of Classic Pavers	Site: North ABC
Department: Operations	Equipment / Process: Kiln	Prepared By: Jo Smith
	Date Initiated: 10 June	Date Completed: 15 June
	Latest Update Date: 15 June	Latest Version:

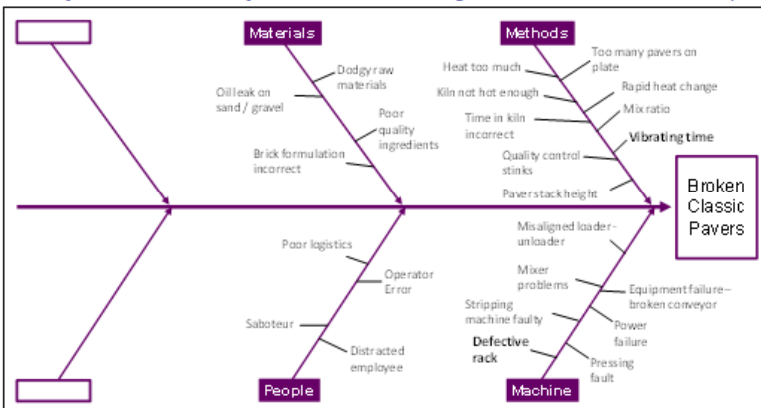
1. Define Problem.....(Plan)

Problem Statement – Classic Pavers are Broken			Problem Definition
Problem Description			
	Is	Is Not	
What	Classic Pavers Broken	Regular or Special Pavers Cracked, wrong colour, not cured	There have been two occasions in the last day when at least 500 classic pavers have broken on line 1.
Where	All over the Paver On line 1 At the exit of the kiln Just over 4 hours ago	In one place only On line 2 At the entrance to the kiln, More than 4 hours ago	
When	2 nd occurrence has just happened (somebody may notice this is one cycle of the kiln cars) In the kiln During curing	Less than 4 hours Before the kiln After the stripper	
Size	Either 500 or 1000 pavers Each tile is broken Tile is broken so this is hard to quantify Getting worse		

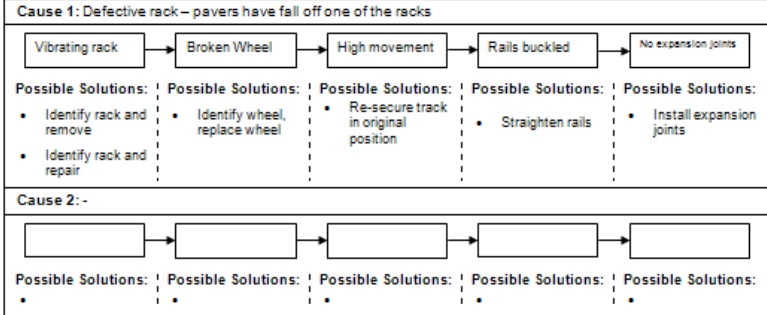
2. Contain Problem - Detail the containment action required and completed(Plan)

Detail the containment action that has been taken:			
At this stage we do not know what the cause is all we have is the effect. The only action we can take is to reduce the hazards associated with the broken pavers i.e. clear them up. There is also the opportunity to stop the line and have a good look, is there more information to be gained.			
Date Implemented: 10 June	Place Implemented: In the stockyard	Implemented by: Operations Supervisor	Verification of action by: Ongoing

3. Analyse Problem – Summary of the Cause & Effect diagram.....(Plan)



4. Develop Root Cause Solutions – Summary Result of Root Cause Analysis(Plan)



5. Implement Solutions – Summary of action completed.....(Do)

Proposed Actions / Approved Actions	Who	Proposed Date	Completed Date
Inspect all racks	Mick Barker	12 June	12 June
Undertake risk assessment prior to entering kiln	Mick Barker	13 June	13 June
Rack A37 was found to have a collapse front bogie	Emma Peel	12 June	12 June
Rack A37 was cycled through the kiln empty	Mick Barker	13 June	-
Line 1 stopped when rack A37 out of kiln	Emma Peel	13 June	13 June
Bogie replaced	John Walters	14 June	14 June

6. Evaluate Results - Evaluate the results of the improvements made.....(Check)

Broken bogie on rack A37 identified
Broken bogie replaced
No inspection records for kiln rack bogies, only rails

7. List Future Actions(Act)

1. Feedback results to team
2. Revise maintenance inspection plans for rack bogies

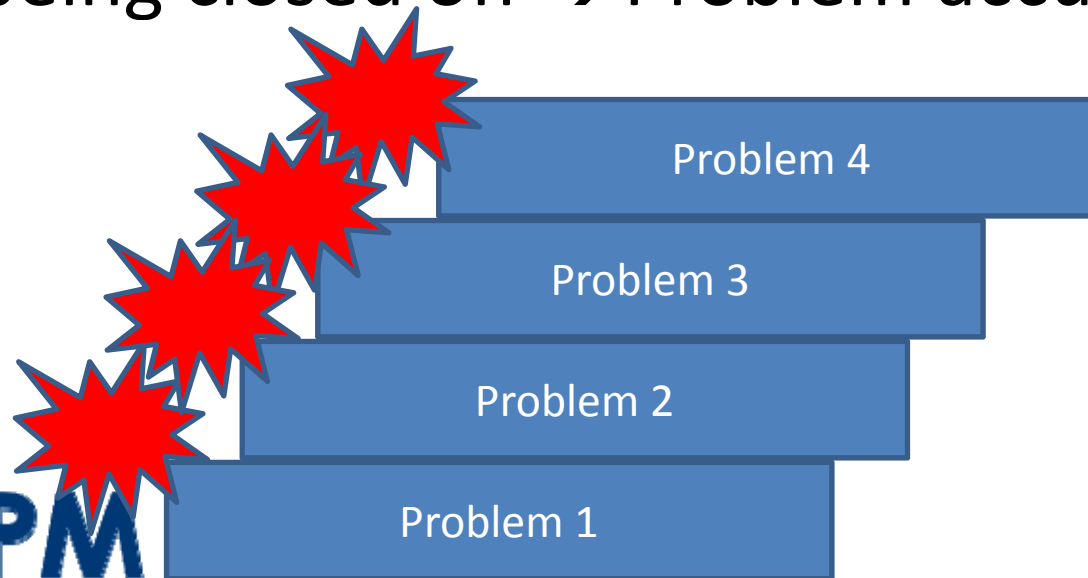
Approved Solutions:	Approved A3 Summary Sheet:
Leader Signature: Barry Smith	Leader Signature: John Walters



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Clear Policy for Tackling Problems

- ✓ Effective Daily Review Process
- ✓ A structured methodology for problem solving
- However problems are being identified but not being closed off → Problem accumulation



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Clear Policy for Tackling Problems

- Determine which reactive problems will be dealt with by the Frontline Problem Solving process
 - Trigger → Must do FLPS process
 - Below trigger → Define, contain, fishbone only
- Have a clear timeframe for action and follow-up
 - Steps 1-3 Day 1
 - Step 4 Day 2
 - Step 5 Day 3

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Questions