

BUSINESS SURVIVAL DEPENDS ON DEDICATION TO IMPROVEMENT

Arthur G. Davis, Principal, The Davis Group

Continuous improvement is no longer just a theoretical pie in the sky concept being promoted by manufacturing experts, and businesses are beginning to base their philosophies on implementing continuous improvement programs at unprecedented rates.

The days of breakthrough improvements followed by a lull in innovation are quickly disappearing. You can't afford to let this parade pass you by. It's time to start implementing a continuous improvement program. If you haven't started already, it isn't as difficult as you might think. Most continuous improvement programs are based on small problem solving teams, such as natural work group teams or cross functional teams that solve a multi departmental issue.

Before starting your own continuous improvement group, it's important that management your chief executive officer or chief operating officer become fully committed to continuous improvement.

This management support is invaluable as you experience cultural change, an inevitable by product of the improvement process.

Once the organization's culture begins to change as you implement new practices and procedures, you might encounter some operational problems.

It will be tempting to revert to the old ways. The management team's commitment will be invaluable to maintaining the course and actively supporting and enforcing the new methods of operation.

After obtaining the support and the commitment of top management, the next step is to form a pilot project team. Its mission is to develop a process suitable to your organization

that solves an existing problem and can be used by other teams to solve problems throughout the organization.

Project teams are normally composed of three to eight people, consist of a team leader, a facilitator/trainer, and team participants. The team leader will participate in all meetings, provide direction to the team and represent the group to management.

The leader should be a good listener, have enthusiasm for the project, and be sensitive and tolerant. Just anyone won't do, so give careful thought to selecting the right individual.

The facilitator/trainer will facilitate the evolution of opinions among the group participants and summarize key points. This person will also function as an instructor to train employees in the quality improvement process.

The requirements of the facilitator/instructor are similar to the team leader: The person should be objective, likable, and familiar with problem solving tools and a good teacher. In the long run, it's best to develop several people within your organization to serve in this key role.

Initially, the facilitator will play a large role in providing training in problem solving techniques and skills. Histograms, fishbone diagrams, flow charts and value analyses are among the tools the facilitator should demonstrate and employ to determine the root causes of problems being investigated.

A Pareto chart will frequently be used to define the root causes of the problem in prioritized order, and will lead directly to the development of an implementation plan.

The other team participants will be responsible for recommending meeting agenda, collecting data and

other analytical tasks. By and large, they will be contributing to the problem solving activities. You should select those who are committed to quality improvement and who are cooperative team players.

Expect to spend from two to six months getting the pilot team up and running and solving the identified problem. Obviously selecting the right pilot project is important

Pick the wrong one, such as a major, complex or difficult one, and you'll be setting yourself up for failure. Pick a solvable, confined problem with measurable benefits that are visible to everyone in your company, and before long, you'll be on the road to continuous improvement.

Most improvements are small, steady increments that add up fast. The Japanese are experts at making small incremental improvements.

Take the VCR for example. Twenty years ago, two people were needed to carry one, and it cost more than \$1,000. Today, VCRs weigh 6 lb. to 10 lb. and can be had for less than \$80. That's an example of steady, continuous improvement. The same can be said of other electronics and autos.

The road to continuous improvement will get a little rough from time to time but use of the continuous improvement concepts will be what separates the successful businesses from the out of business ones.

Do your firm a favor and start a continuous improvement program so you will be around next year.

Art Davis is principal of the Davis Group, a Chicago area consultancy specializing in business process improvement and total quality. For more information, call 847 685 9820

