Year Two of Pursuing Best-in-Class with Limited Resources:

How Teams at ARUP Use the Value Pyramid to Achieve an Enterprise-Wide Lean Transformation

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Six Sigma Black Belt, Process Improvement Manager

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Outline

Review the 2016 ARUP Best In Class Confab Presentation

Provide an overview of the current ARUP Best In Class

Discuss the lessons the ARUP team learned

Panel Q&A with:

Robert Michel

Dr. Richard Zarbo

John Lessig
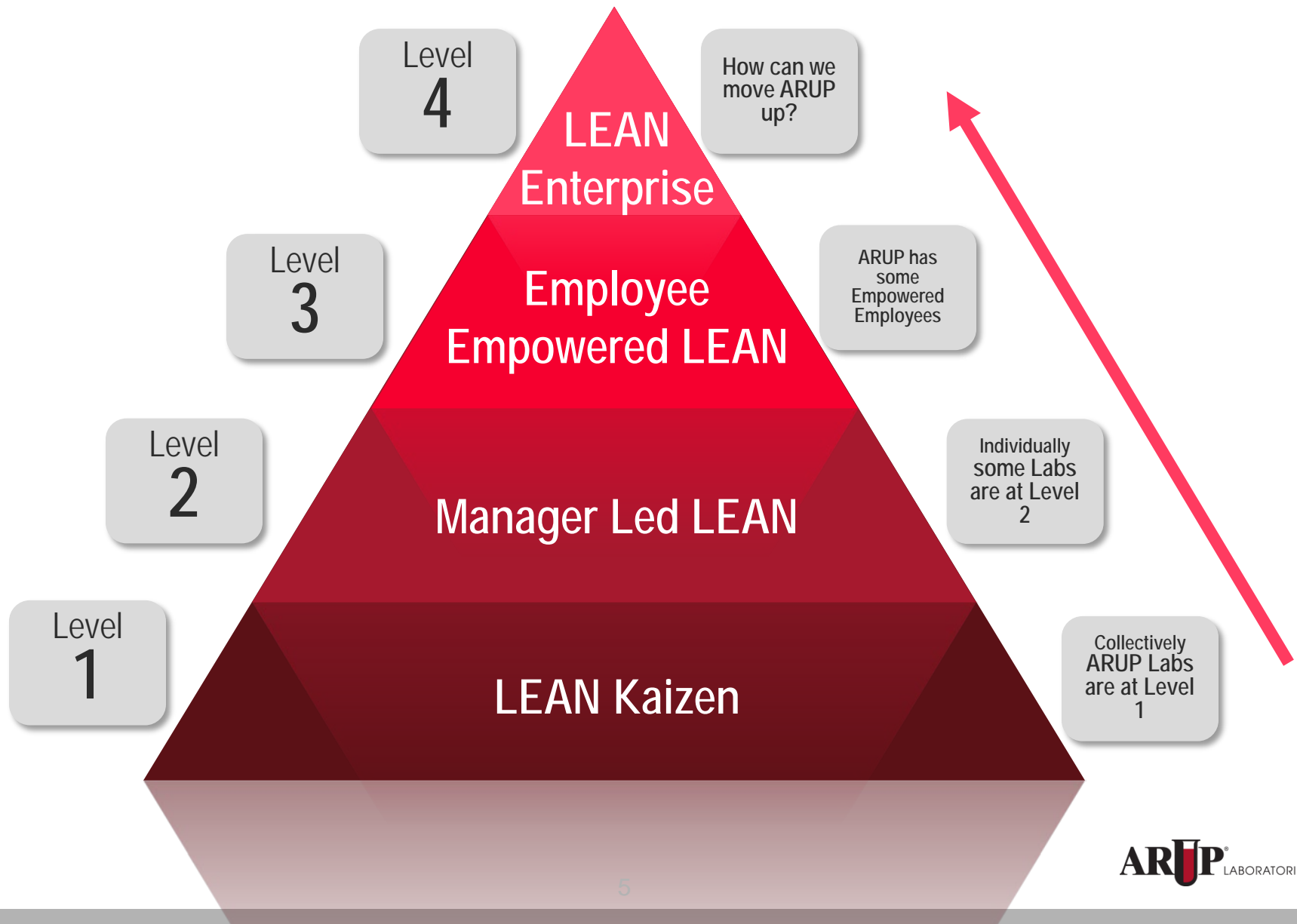
Chris Christopher

2014
Lab
Quality
Confab

Process Improvement
Institute

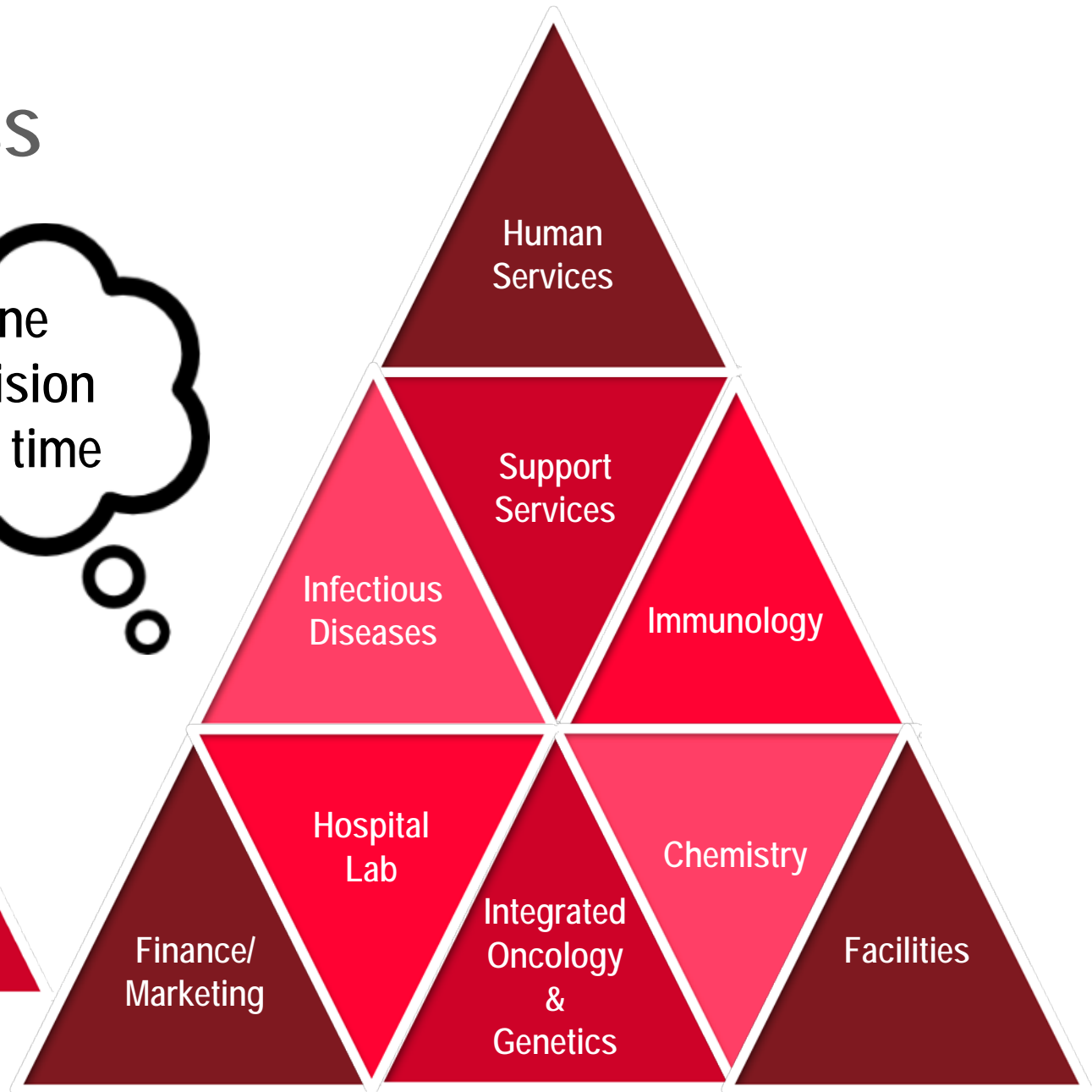ARUP LABORATORIES

Laboratory Value Pyramid

LEVEL 4 — **External: Use Benchmarks to Achieve Best-in-Class**

LEVEL 3 — **External: Deliver Value That Exceeds Expectations**

LEVEL 2 — **Internal: Establish & Meet Standards of Value**

LEVEL 1 — **Internal: Achieve Normalcy & Predictability**

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Best In Class

Level 4 — LEAN Enterprise
Level 3 — Employee Empowered LEAN
Level 2 — Manager Led LEAN
Level 1 — LEAN Kaizen

How can we move ARUP up?

ARUP has some Empowered Employees

Individually some Labs are at Level 2

Collectively ARUP Labs are at Level 1

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Best In Class

One division at a time

Full Best in Class Enterprise

Human Services

Support Services

Infectious Diseases

Immunology

Finance/Marketing

Hospital Lab

Integrated Oncology & Genetics

Chemistry

Facilities

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What is Best In Class doing now?

Timeline:

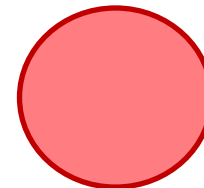11/2015–11/2016: IOG Division & Facilities

4/2016–4/2017: AP Division

1/2017–Current: UH Division

8/2017–Current: IMM Division

Best in Class Method
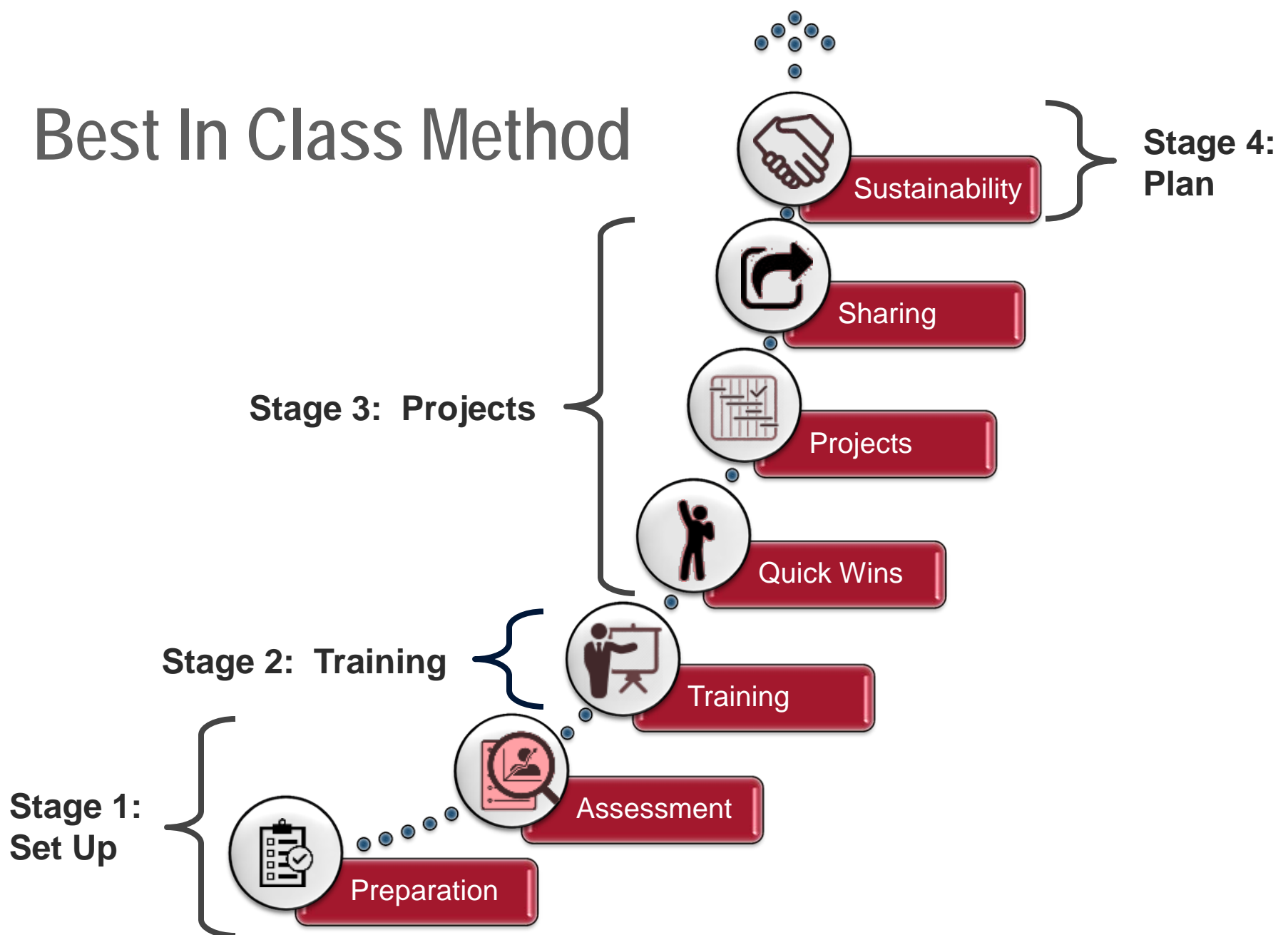

TIME COST

QUALITY

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Best In Class Method

Easier, Better, Faster, Cheaper (in that order)

- Waste elimination (LEAN) leads to EASIER

- Easier leads to Better (Quality)

- Better leads to Faster (Time)

- Faster leads to Cheaper (Cost)

Some organizations mistakenly start with Cheaper

Best In Class Method

Stage 4:
Plan

Sustainability

Sharing

Stage 3: Projects

Projects

Quick Wins

Stage 2: Training

Training

Assessment

Stage 1:
Set Up

Preparation

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Best In Class Method

- ## Stage 1a—Set Up

  - Division Preparation

  - Introduce Best in Class

  - VMOSA

  - Roles and Responsibilities

  - Motivation and Recognition

  - Web Page

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- # Stage 1b—Set Up

  - Culture Assessment

    - Questions to gauge culture

    - Survey announced to staff

  - Training Plan

  - Marketing Collateral

  - Huddles

  - Kick-Off

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Culture Assessment

10 questions to get snapshot of workplace sentiment

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Best In Class Method: Stage 1—Set-up

1. I believe I have an impact in the University Division's overall mission and strategic

2. I feel comfortable communicating with my direct supervisor

3. I feel comfortable communicating with my peers

4. When problems or mistakes occur, communications received are constructive

5. When I provide feedback or raise concerns, it is responded to appropriately

6. Our work practices result in consistent, high quality products or services

7. I have adequate opportunities to acquire new, valuable skills in the workplace

8. I have adequate opportunities for advancement

9. I am proud to be part of my team

10. I feel valued at work

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Best In Class Method

- **Stage 2 - Training**

  - Managers and Medical Directors

  - Staff

  - Multiple Delivery Methods

    - Core Curriculum

    - Support Curriculum

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Core Curriculum

- What is Best in Class?

- Change Culture

- Continuously Improve

- Workplace Order

- Value Stream Mapping

- Standard Work

- # Support Curriculum

  - What is Lean

  - Team Work

  - Discovering Causes

  - Measurement Concepts and Tools

  - Optimizing the Work Space

  - Visual Workplace

  - Work Flow and Queue Management

  - Human Memory and Error Proofing

  - Decision-making with Matrices

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Best In Class Method

- ## Stage 3—Projects

  - 5S

  - VSMs and A3 forms

  - Change Advisors

  - Submission Tool
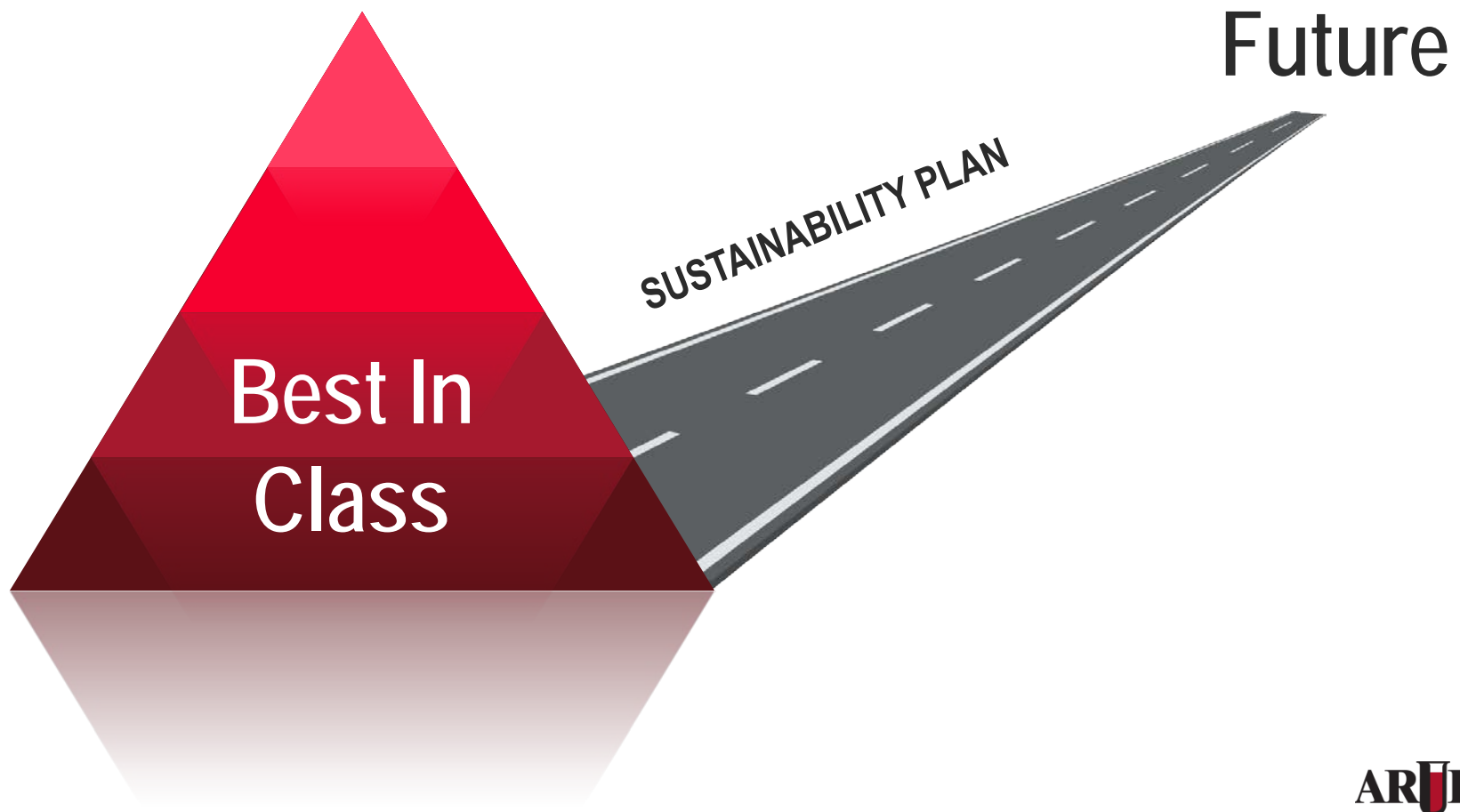
  - Project Initiation

  - Project Sharing

Best In Class Change Advisors

- Are non-management members of the division who have demonstrated the ability to embrace and drive positive change
- Are team members that colleagues trust and respect
- Challenge the status quo, looking for obstacles and seeking opportunities to improve the way work is done
- Encourage other members of the section to think critically and constructively about how work is performed, to identify opportunities and to submit their ideas as improvement projects using the BIC SImPL Tool
- Upon invitation, attend the Division BIC Group Manager Strategy and Project Review Meeting giving input on BIC strategy, project approval and project priority.
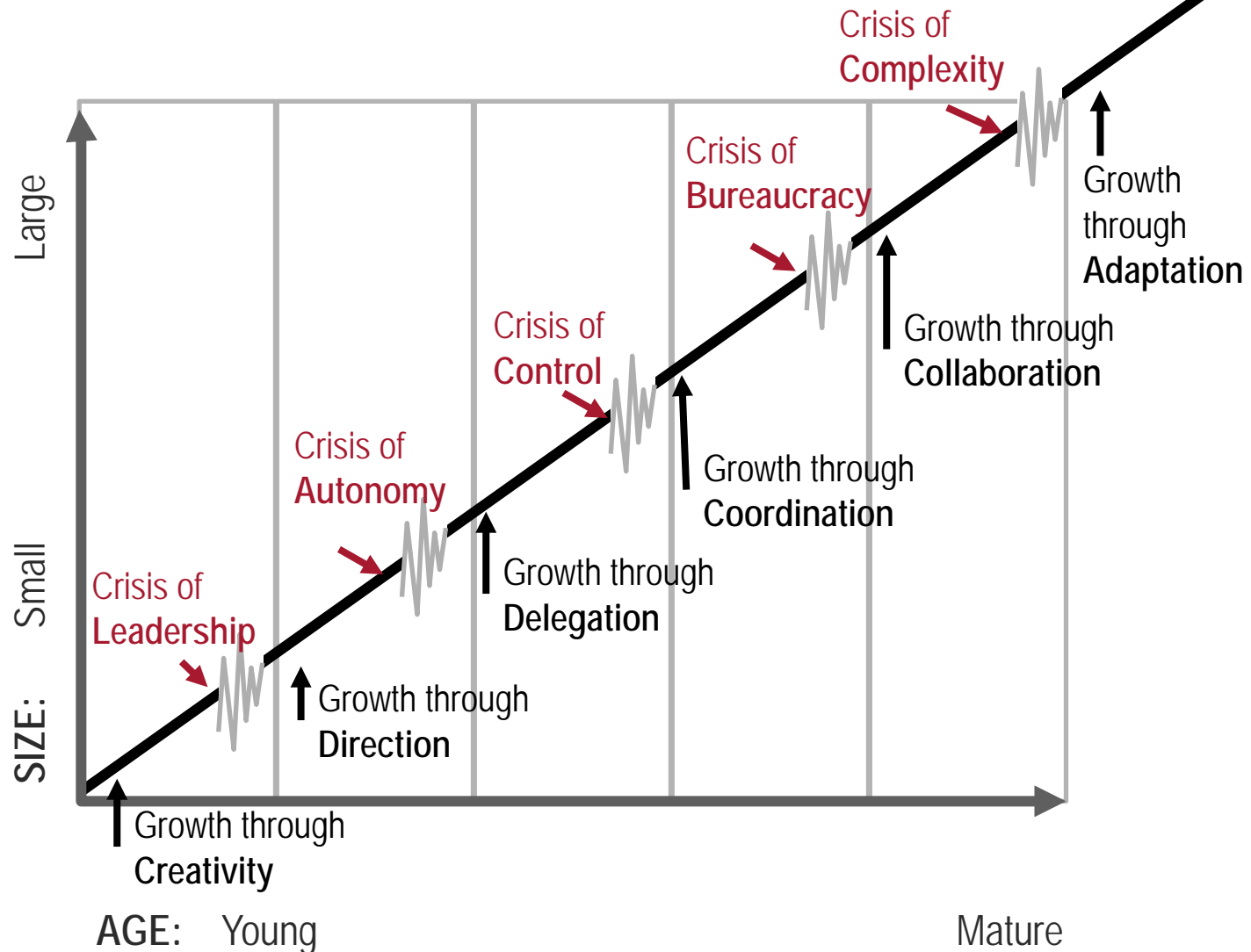- Are provided with the opportunity to be trained on the tools of Lean

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Best In Class Method

- ## Stage 4—Plan

  - New Employee Integration

  - Employee Access to Training

  - Project Identification

  - Permanent Culture Change

    - "After" Culture Measure

Future

SUSTAINABILITY PLAN

Best In Class

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Five Phases of Corporate Growth

SIZE: Large / Small

AGE: Young — Mature

Growth through **Creativity**

Crisis of **Leadership**

Growth through **Direction**

Crisis of **Autonomy**

Growth through **Delegation**

Crisis of **Control**

Growth through **Coordination**

Crisis of **Bureaucracy**

Growth through **Collaboration**

Crisis of **Complexity**

Growth through **Adaptation**

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Kotter's 8-Step Process for Leading Change

Step		Best In Class
Create	a sense of urgency	Measures
Build	a guiding coalition	Flexibility
Form	a strategic vision	Context
Enlist	a volunteer army	Spread
Enable	action—by removing barriers	Pace
Generate	short-term wins	Spread
Sustain	acceleration	Pace
Institutionalize	change	Measures

Measures

Most things can be quantified

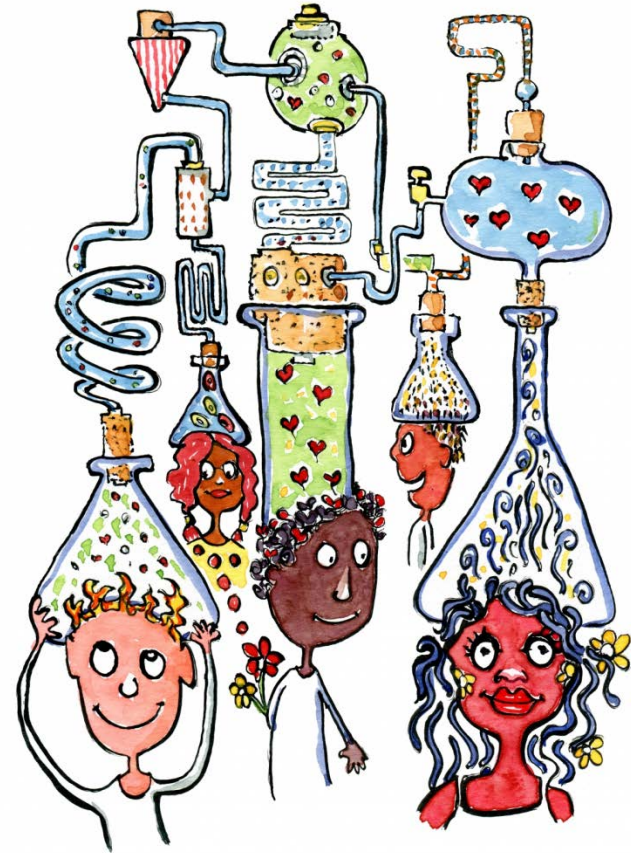Some things can't

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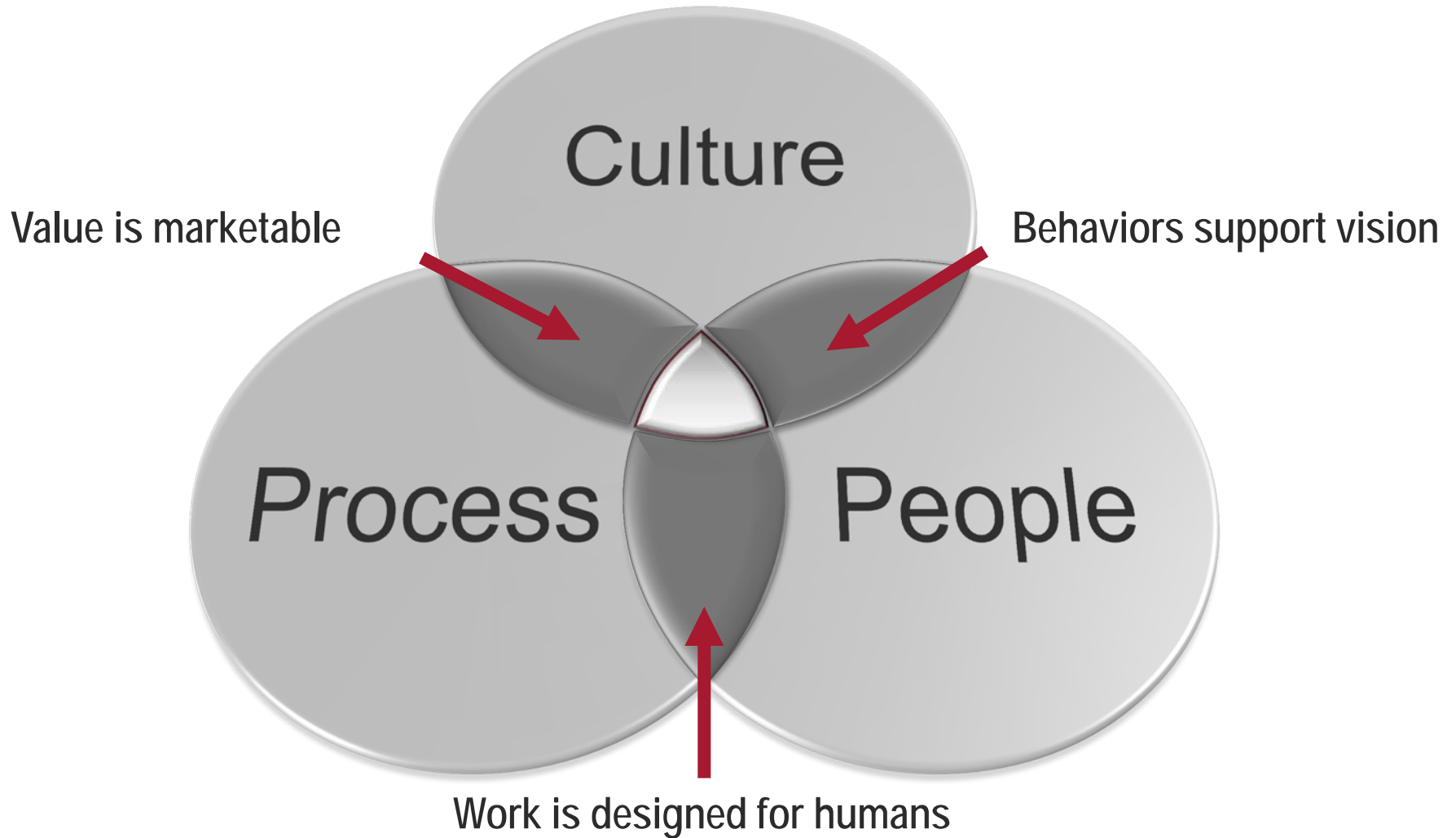
Key to Measuring

- Simplicity

- Synchronicity

- Experi-Mentality

Frits Ahlefeldt

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Flexibility

 Change is methodical and disciplined

 Transformation is not

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Key to Flexibility

- Focusing on purpose
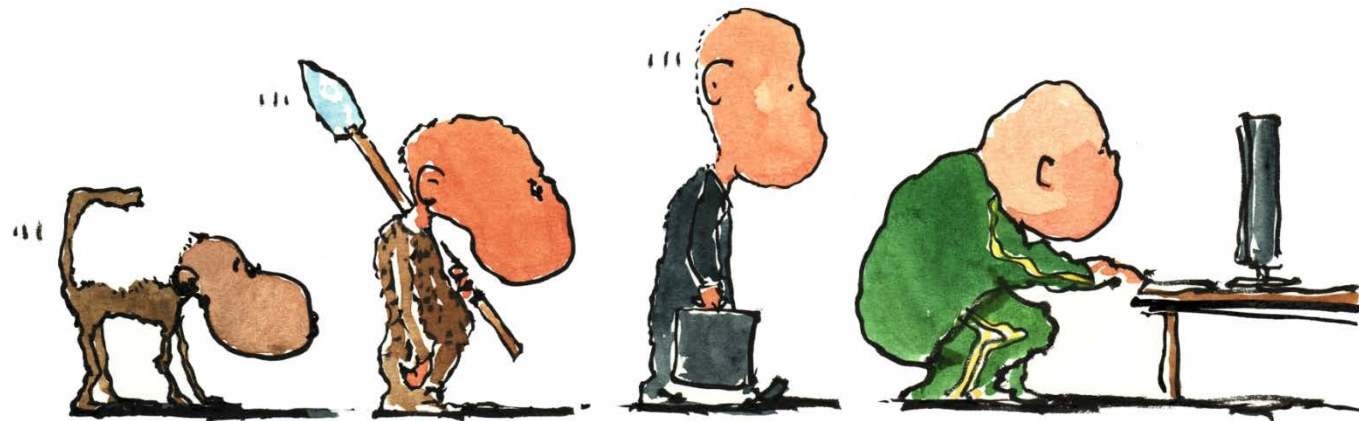
- Listening

- Harmonizing

Context

A good plan can be replicated

Copying is not a good plan

Key to Context

- Comparing
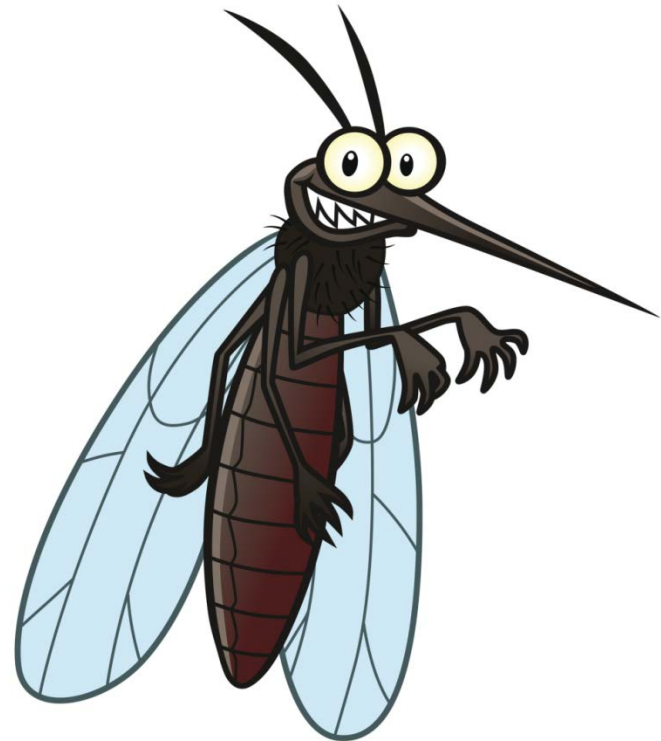
- Empowering

- Evolving

Spread

Success breeds success

Resistance breeds resistance

Key to Spread

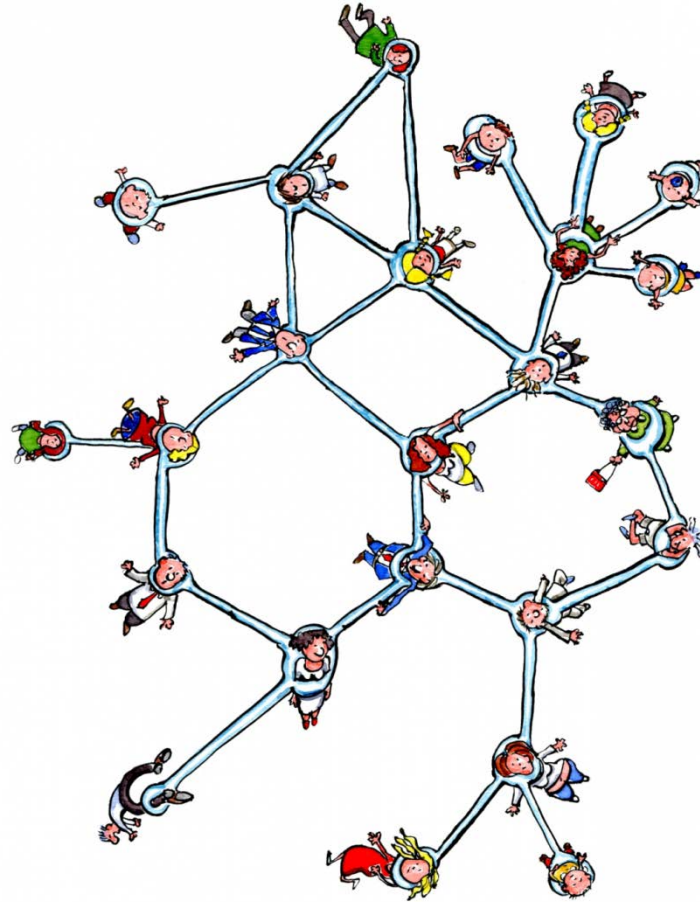- Inoculating

- Anchoring

- Advertising

Pace

 New projects come in almost weekly

 New projects come in almost weekly

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Key to Pace

- Respect

- Networking

- Tenacity

HikingArtist.com

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Five Bridges to Excellence

1. Ability to manage change

2. Structure that supports and drives execution

3. Employees involved in decisions and empowered to execute

4. Alignment between leader behavior and vision/ values

5. Coordination and cooperation; harmonization

LEPSINGER, RICHARD, *Closing the Execution Gap: How Great Leaders and Their Companies Get Results.* John Wiley & Sons, Inc., 2010

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