

Pursuing Best-in-Class with Limited Resources:

How a Team at ARUP Uses the Value Pyramid to Achieve an Enterprise-Wide Lean Transformation

David J Layton, MSOM

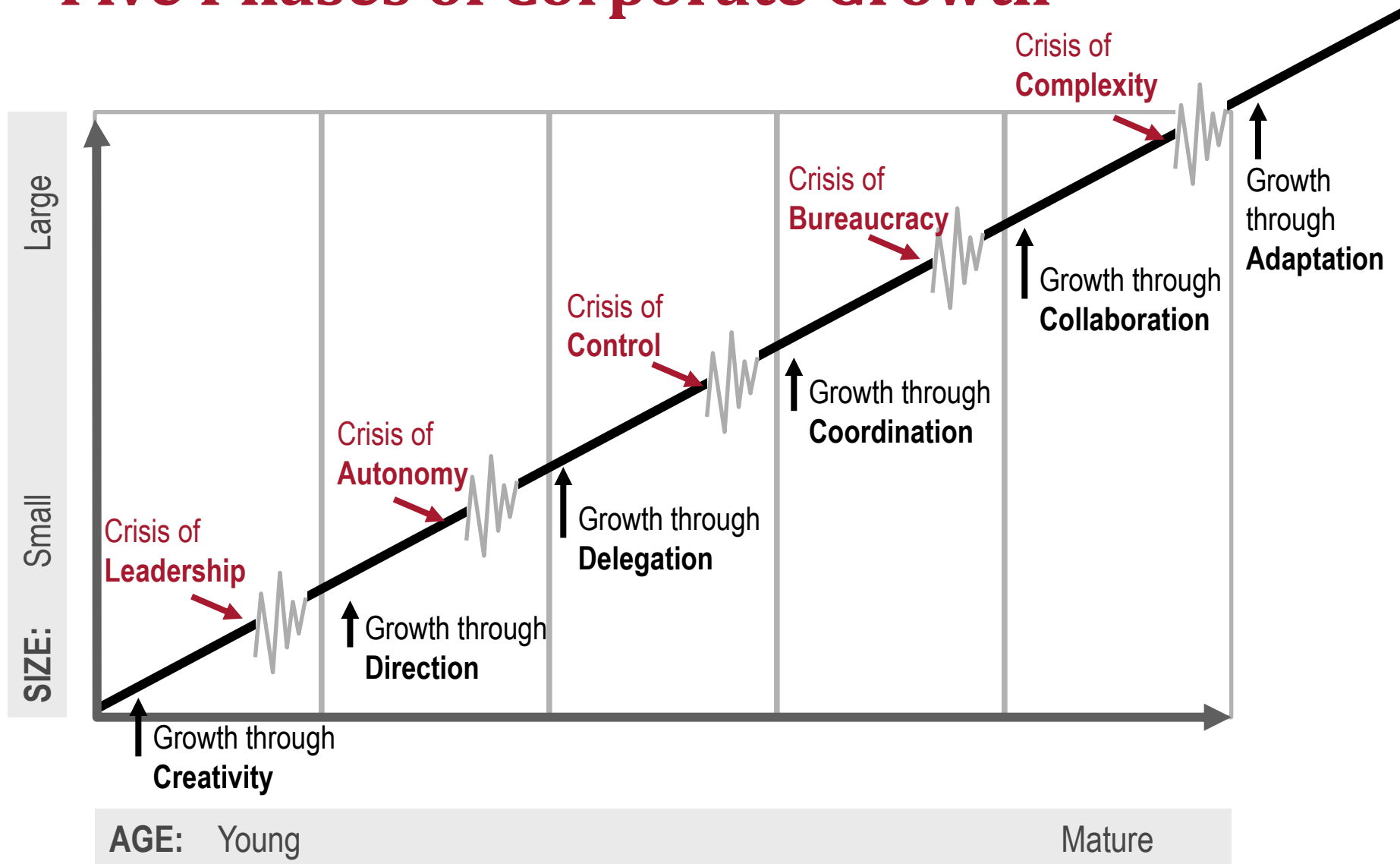
Lean Expert, Improvement Engineering and Operations Leader

Bonnie Messinger, CPHQ, CMQ/OE (ASQ)

Six Sigma Black Belt, Process Improvement Manager

September 2016

Five Phases of Corporate Growth





Vision	Skills	Incentive	Resources	Plan	=Change
	Skills	Incentive	Resources	Plan	=Confusion
Vision		Incentive	Resources	Plan	=Anxiety
Vision	Skills		Resources	Plan	=Resistance
Vision	Skills	Incentive		Plan	=Frustration
Vision	Skills	Incentive	Resources		=Treadmill

JOHNSON, BARRY, *Jump Start Your Operational Excellence Venture; How to drive completion of lean Six Sigma projects*. Quality Digest, 08/12/2009

Enabling Infrastructure

2005

ARUP's Five Pillars

- To Provide Excellent Patient Care by Supporting Clients (Vision)
- To Act Responsibly (Skills)
- To Do the Right Thing (Incentive)
- To Create a Good Working Environment (Resources)
- To Improve Continuously (Plan)

Growth through Adaptation

BEST IN CLASS

Panel Q&A with:

Robert Michel

Dr. Richard Zarbo

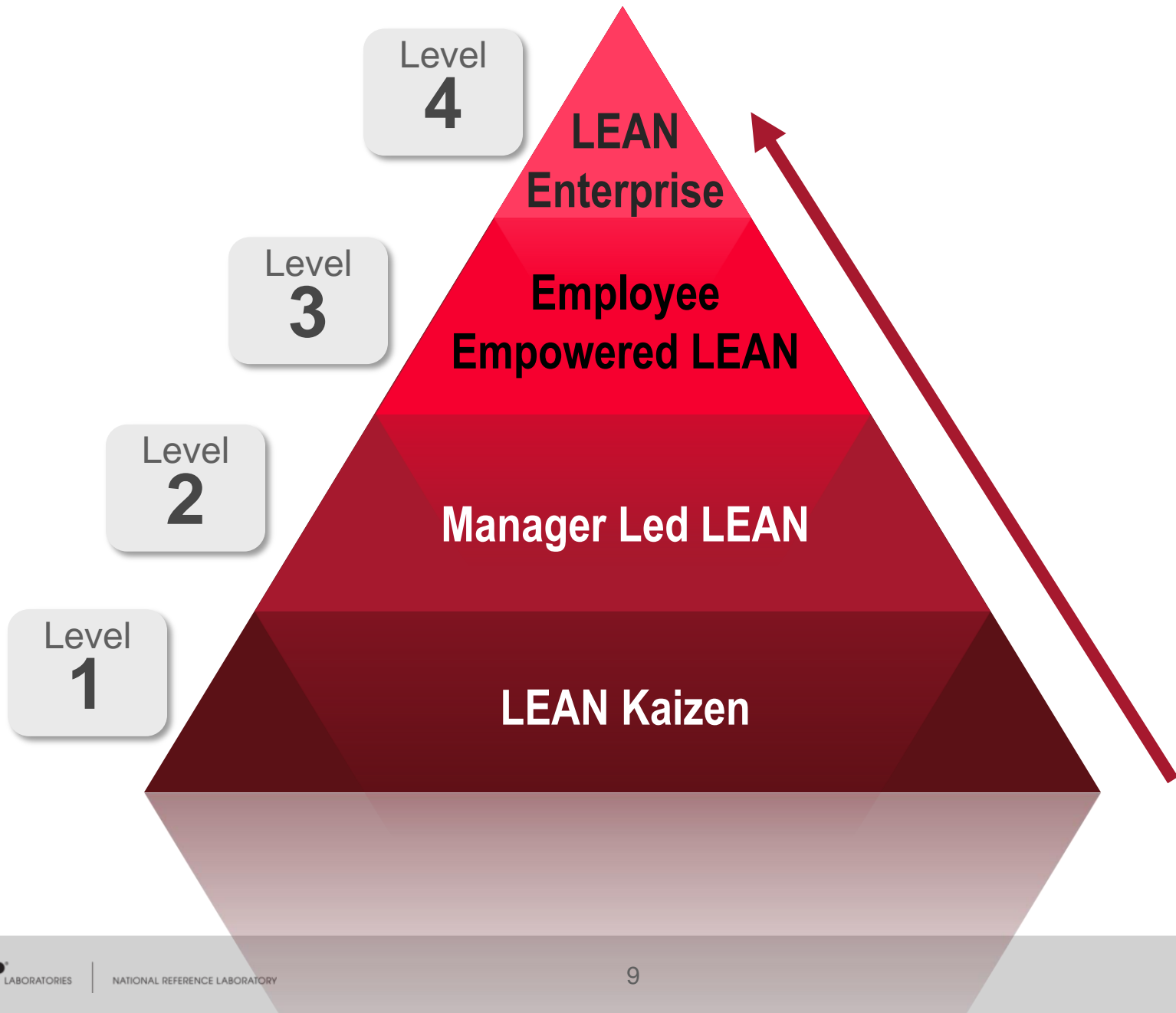
John Lessig

Chris Christopher

2014
Lab
Quality
Confab
Process Improvement
Institute

Laboratory Value Pyramid



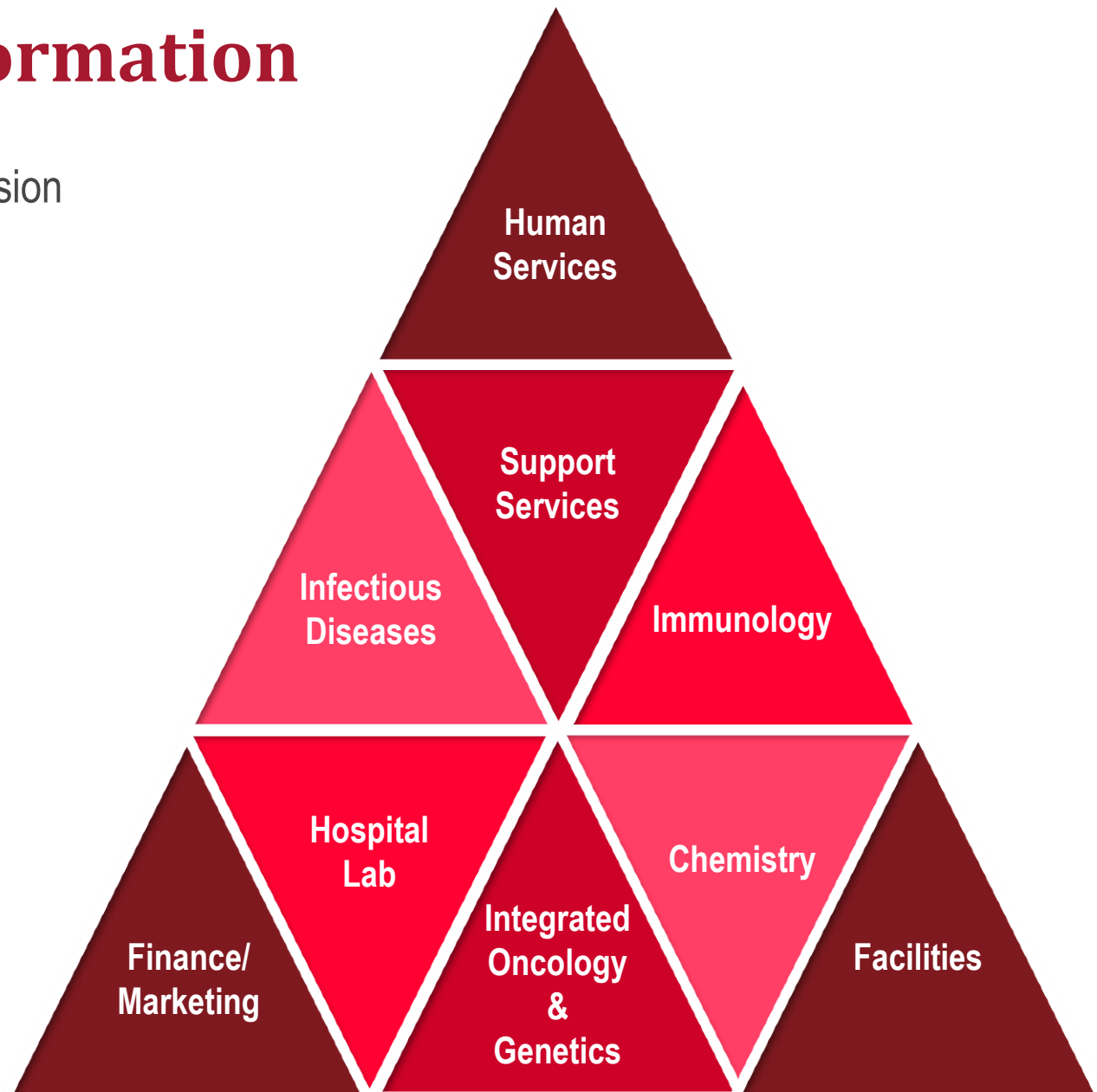


Full Transformation

Beginning with IOG Division

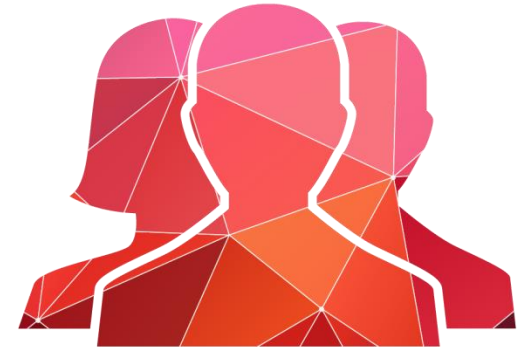
Full Enterprise BIC

One division at a time



Benefits of Division Strategy

- Division Management owns the context for all projects.
- Division Manager provides direction for training and projects.
- Division Silos exist. This approach recognizes these differences.



Best-in-Class Strategy

- Train Managers, Supervisors, Leads and QS on full BIC curriculum
- Section Assessments
- Train all employees
 - Change Culture, 5S,
 - VSM, A3, Teams
- VSM every section
- Initiate projects
- JIT training on demand

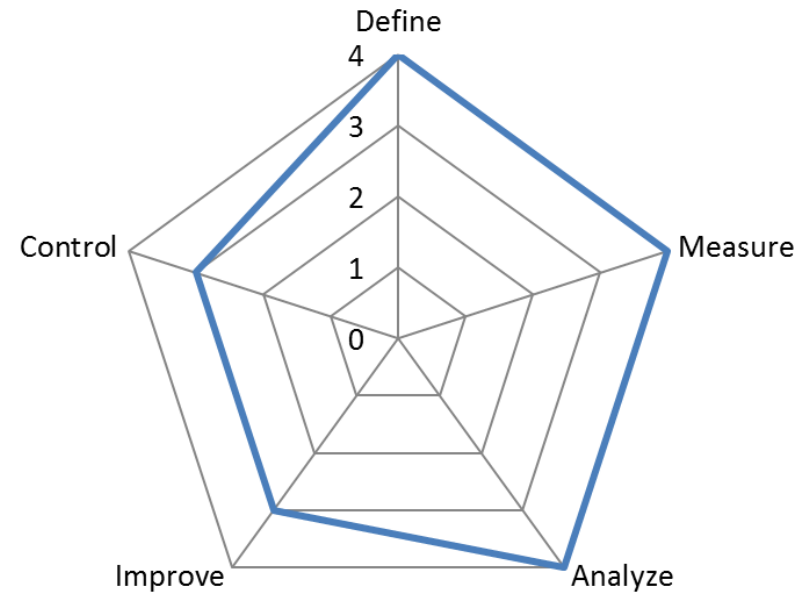
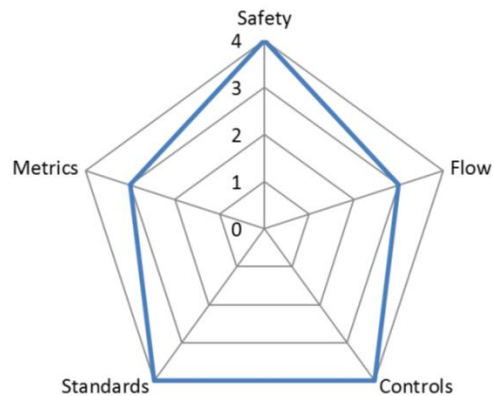
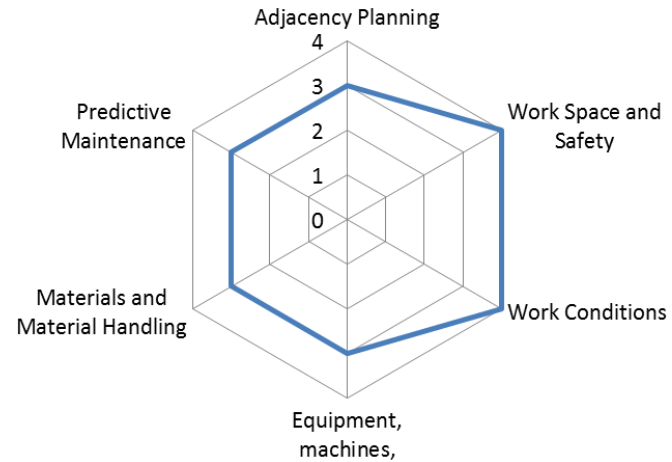
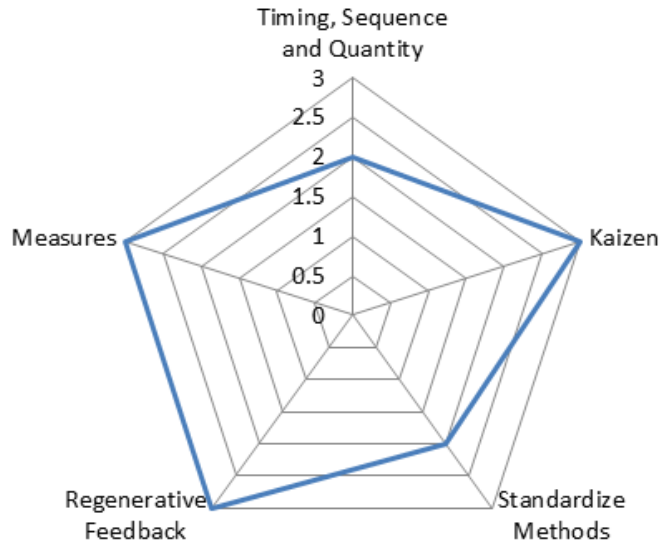


Improvement Curriculum

- Creating a Culture of Change
- Improving Continuously
- Creating Workplace Order
- Discovering Value
- Controlling Flow
- Managing Queues
- Standardizing Work
- Optimizing the Workplace
- Managing Visually



Section Assessments



First Level Strategy

Initiate IOG Division (Nov. 2015)

- **Training**
(All Supervisors, Leads and Quality Specialists)
- **Abbreviated Training**
(Medical Directors)
- **Section Assessments**
- **30+ Projects Initiated**



**Integrated
Oncology
& Genetics**

First Level Strategy

IOG AP (April 2016)

- **Solid Management Leadership**
 - VP Laboratory Operations
 - AP Chief Pathologist
 - Division Manager
 - Group Managers
- **Branding and Marketing**
- **Value Stream Mapping**
 - 75+ VSM's
 - Harmonize VSM's
- **Daily Huddles**
 - Multiple sites with video conferencing



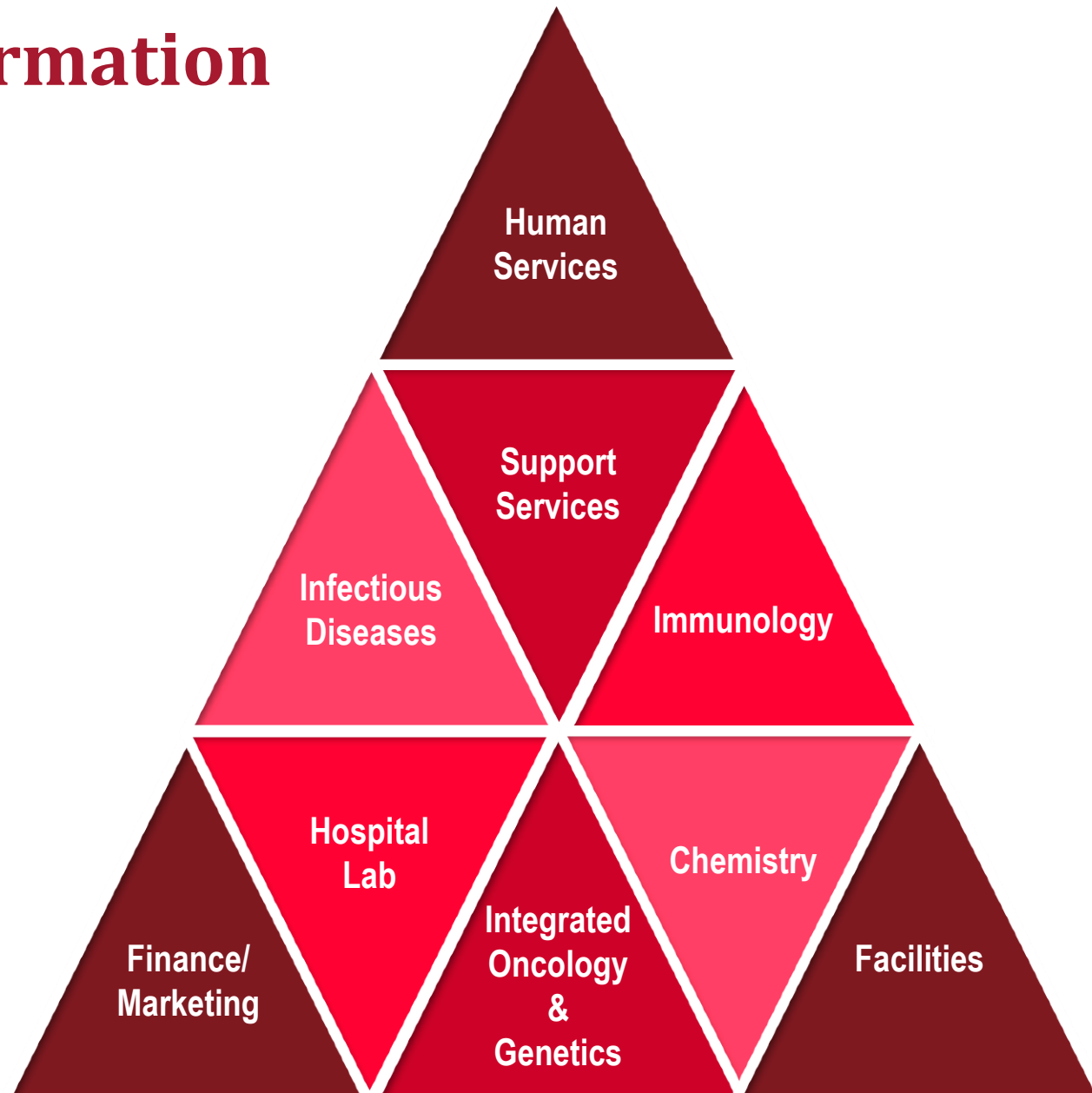
**Integrated
Oncology
& Genetics**

Second Level Strategy

- Jan 2017
- Branding and Marketing
- Train Managers, Supervisors, Leads and QS on full BIC curriculum
- Section Assessments
- Train all employees
 - Change Culture, 5S,
 - VSM, A3, Teams
- VSM every section
- Initiate projects
- Other training as projects demand



Full Transformation



BEST IN CLASS

**LEAN
Enterprise**

**Employee
Empowered LEAN**

Manager Led LEAN

LEAN Kaizen

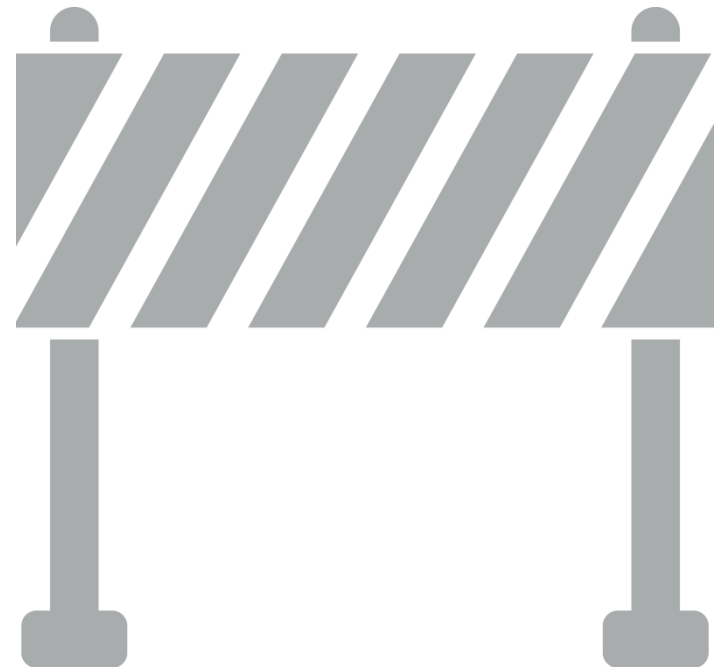
Level
3

Level
2

Level
1

Barriers to Organizational Transformation

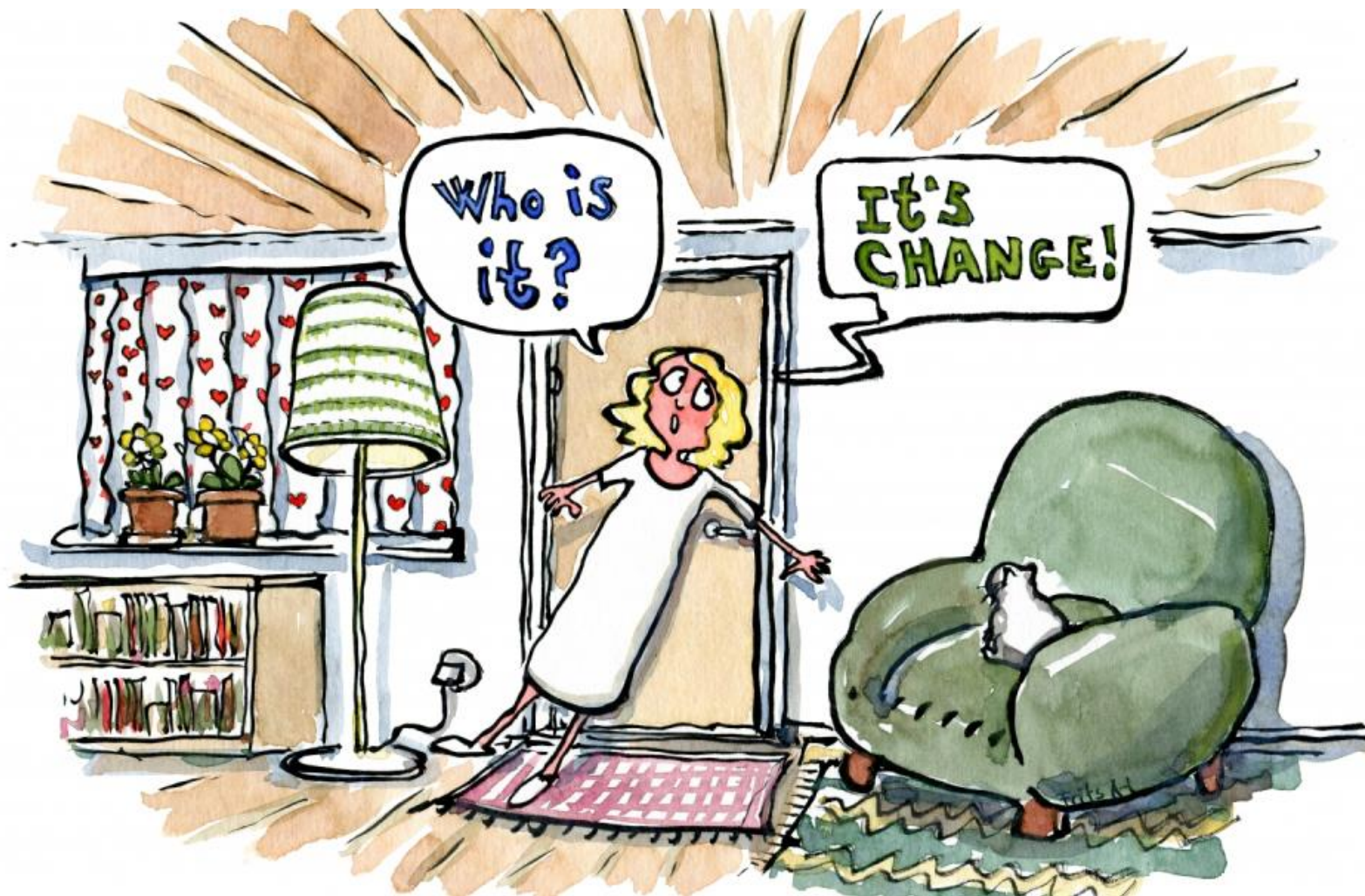
- Complacency
- Lack of powerful guidance
- Weak or no vision
- Failure to communicate vision
- Allowing obstacles
- No short term wins
- Stopping too soon
- Failing to create a culture of change



KOTTER, JOHN, *Leading Change*. Harvard Business Review Press, 2012

Five Bridges to Excellence

- Ability to manage change
- Structure that supports and drives execution
- Employees involved in decisions and empowered to execute
- Alignment between leader behavior and vision/ values
- Coordination and cooperation; harmonization



SEPTEMBER 16, 2015 — [FRITS AHLEFELDT, HIKING.ORG](http://FRITS.AHLEFELDT.HIKING.ORG)