

CI Levers of Change

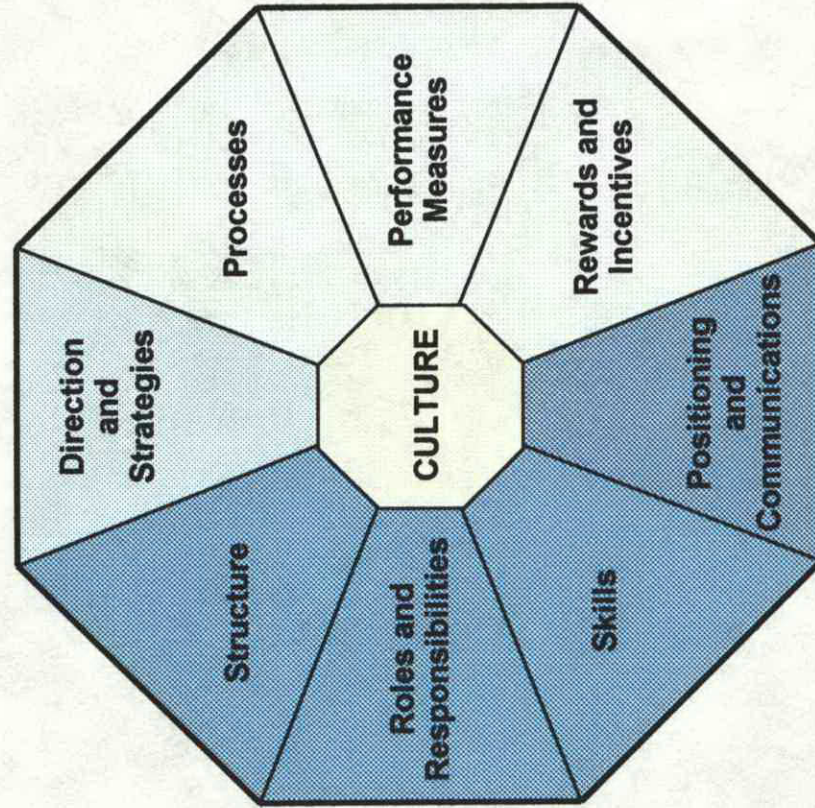
Continuous Improvement efforts should address the following levers of change to align the objectives of the entire organization. CI can help mitigate the risks of an incongruent culture, inaccurate set of measures, underutilized skills, misaligned organization structure, and unfocused processes.

Strategic Levers

Does the organization have a clearly defined and widely understood direction?

Process and Process Management Levers

Are processes clearly defined?
How effective are they?



Organizational Levers

Does the current organization structure promote effective delivery of key services?

Are roles and responsibilities clearly assigned and understood within the organization and across business boundaries?

Does the organization have the right skills?

Customer Management Levers

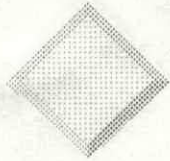
Can positioning and communications be leveraged to improve business community relations and service delivery?

Do IS rewards and incentives support strategic direction?



Symptoms of a Change Project Off-Track

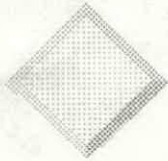
- ◆ Diminished management support
 - ◆ Lack of organizational ownership
 - ◆ Localized but not enterprise-wide optimization
 - ◆ Single dimension solutions
 - ◆ Successful pilot; failed roll-out
 - ◆ Middle-management stonewall
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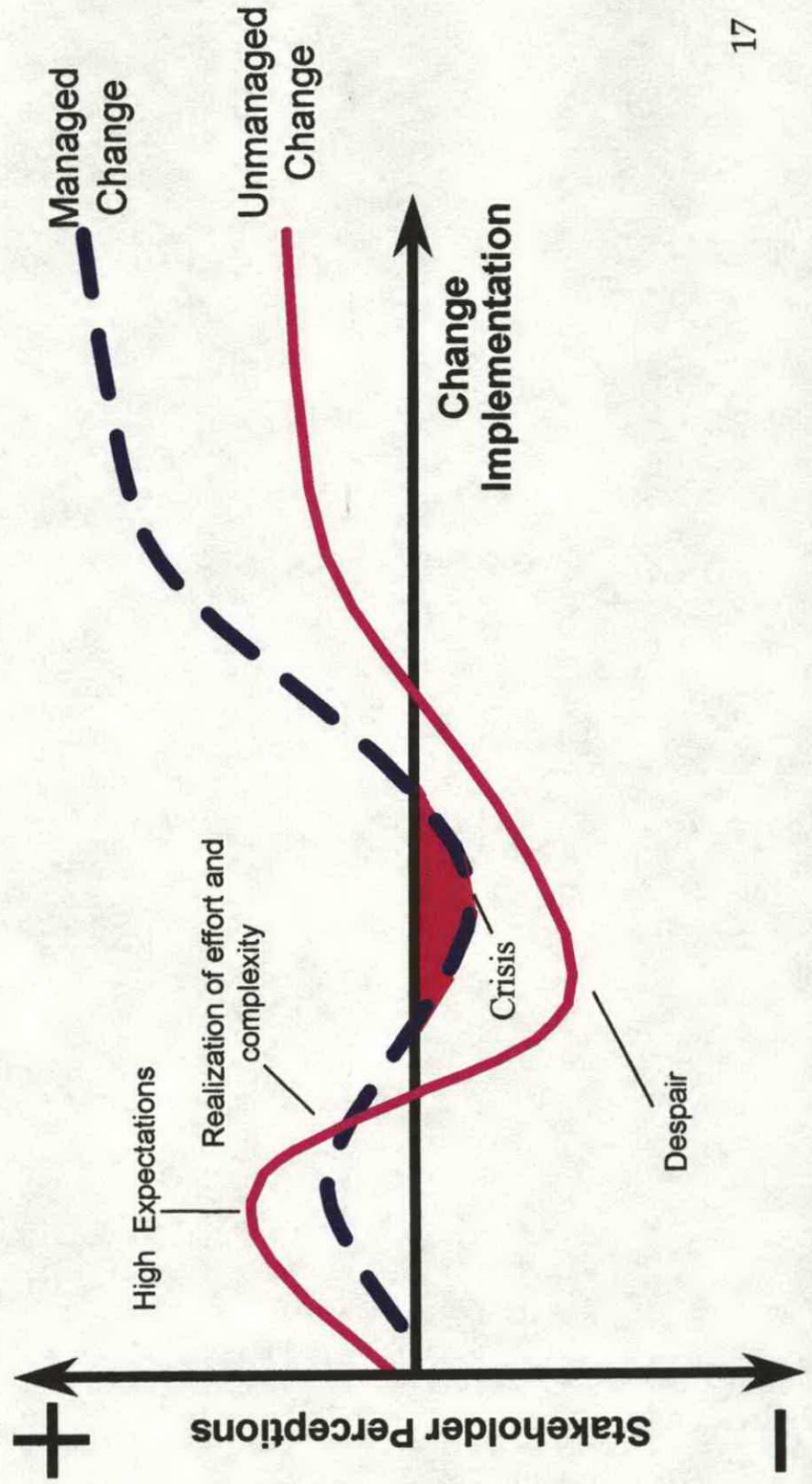
What are some of the risks the Board faces?

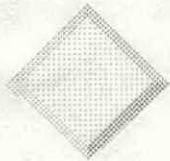


Manage Change to Keep Change Projects On Track

Change Life Cycle

- ◆ Without Continuous Improvement and attention to the Levers of Change, change efforts often lead to frustration and suboptimal solutions that don't "stick". This chart illustrates the need to proactively manage Continuous Improvement.





Continuous Improvement Roles

- ◆ **Employee's Role**
 - The people most capable of improving a process are those closest to it. They know the details of what works and why, what doesn't work and why not.
- ◆ **Manager's Role**
 - Enable employees to contribute
 - Empower employees with the tools, information, and authority needed to accomplish the organization's vision
 - Set aggressive goals to help employees think "out of the box"
 - Provide training in process improvement techniques
 - Utilize commitment building exercises to build awareness of the need to continually improve and why CI is critical
 - Manage fear in the organization with accurate and timely communication
 - Provide leadership and coaching to get and remain focused on the organization's performance goals consistent with the "big picture"



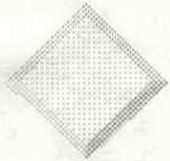
Continuous Improvement Team Skill Sets

- ◆ Extensive knowledge of statewide processes, systems, and procedures
- ◆ Leadership skills to drive change
- ◆ Strong communication skills
- ◆ Ability to thrive in a dynamic organization, working multiple projects at one time
- ◆ Credibility within functional areas
- ◆ Promotes cross-functional and multi-functional expertise
- ◆ Ability to leverage expertise within and across multiple functions
- ◆ Ability to integrate external resources effectively, when necessary
- ◆ Analytical and process oriented thinkers
- ◆ Strategic focus and ability to see the “big picture”
- ◆ Process improvement experience preferred
- ◆ Ability to work closely with others in a team environment
- ◆ Ability to champion CI causes
- ◆ Ability to influence and educate staff with regard to responsiveness toward achieving goals and targets



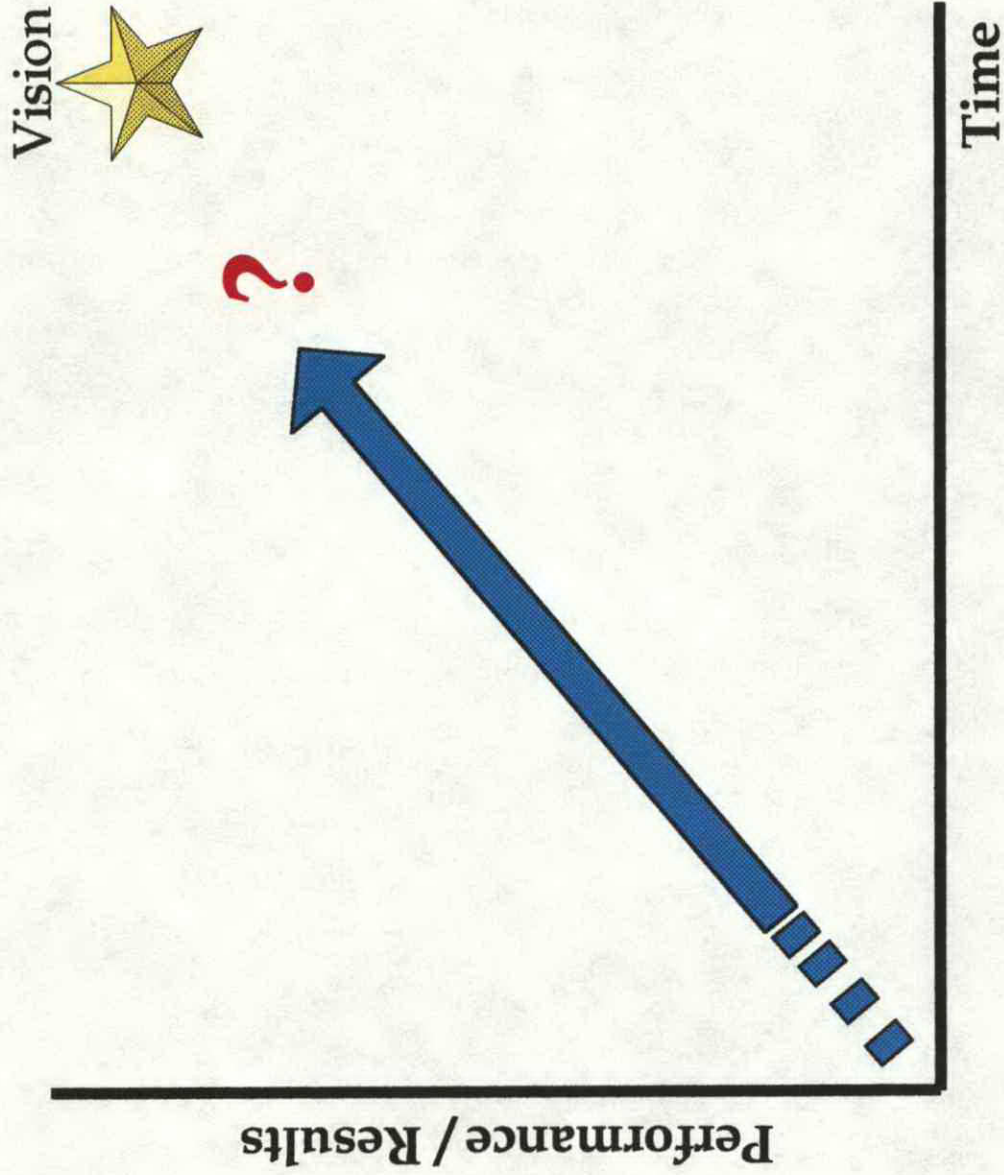
Best Practices

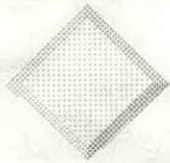
- ◆ AT&T Universal Card Services -- Winner, Baldrige National Quality Award
- ◆ 3 Continuous Improvement Goals
 - **“Customer Delight”** -- “spend the whole day on a customer’s problem, if necessary”
 - Receive over 2000 unsolicited customer letters of praise per month
 - Aggressively pursue credit bureau reform and fraud on their customer’s behalf
 - Utilize technology to enable employees to concentrate on solving customer’s problems
 - **“Employee Delight”** -- 94% of associates feel their work is important and worthwhile
 - Communication is emphasized
 - Utilize recognition programs
 - **Continuous Improvement** -- closely follow PDMI cycle to manage processes
 - PDMI -- Plan, Do, Measure, and Improve
 - Posters display the 10 most wanted quality improvements
 - Each employee receives a bonus for each day their team achieves quality targets
 - Survey their competitor and their own customers to find the areas of greatest importance
 - 96% of associates feel that the company’s commitment to quality is demonstrated daily



Continuous Improvement Visions

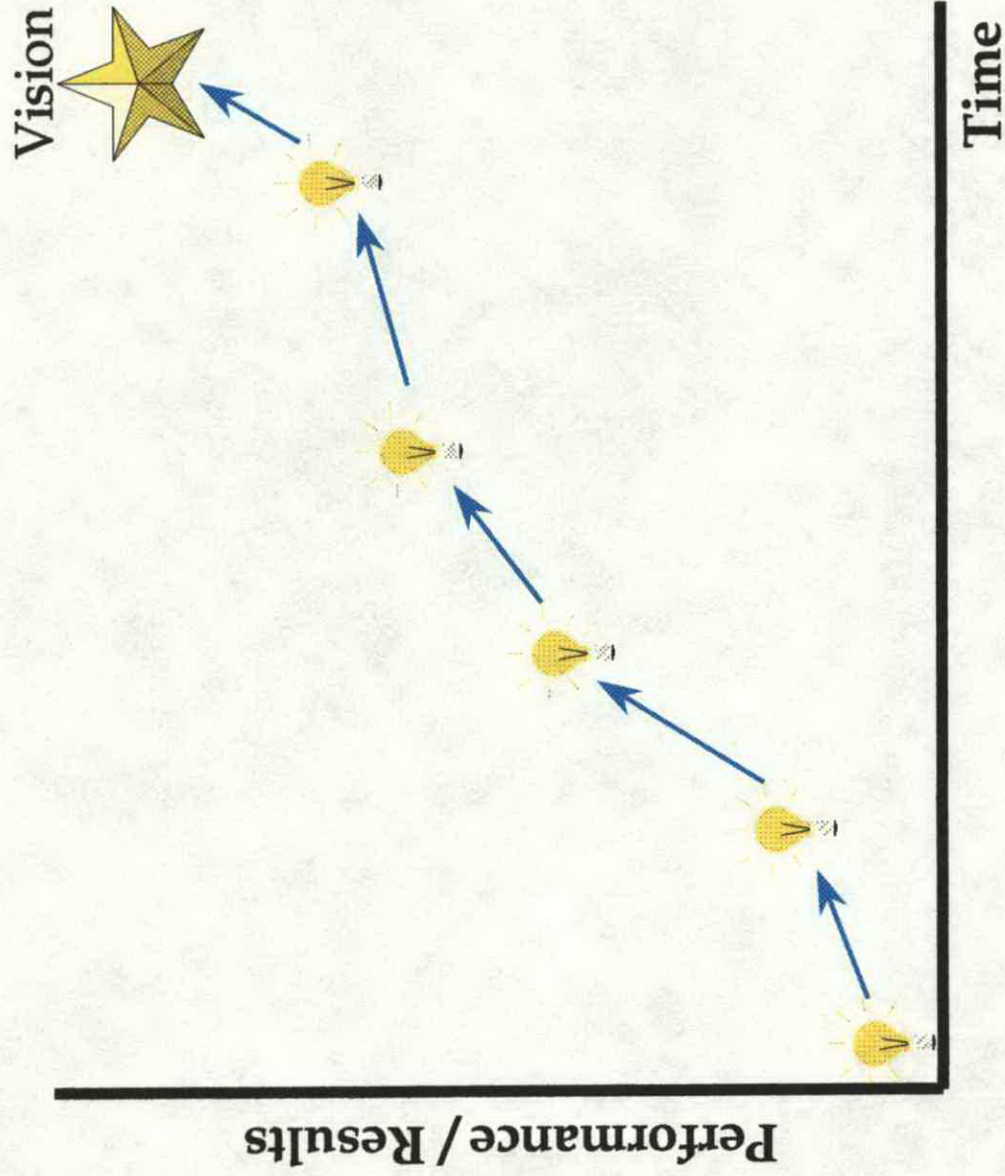
How do you achieve your vision?





Continuous Improvement Visions

Implementing CI ideas leads organizations toward their Vision





Elements of Successful Continuous Improvement Efforts

- ◆ Senior management sponsorship
- ◆ Involvement at all levels; top-down and bottom-up
- ◆ Alignment of business strategy with performance measurement
- ◆ Stretch performance targets
- ◆ Benchmarking
- ◆ Well managed envisioned process
- ◆ Communication, change management, and impact planning