Lean Office: Mapping Your Way to Change

Learning to eliminate non-value-added activities in the office.

Lea A.P. Tonkin

Now that you’ve “leaned” the way you do things in your production areas, what’s next? Sure, continuous improvement will bring added results to the shop over time. But what about your office areas — the administrative types, the sales and marketing people, not to mention legal, engineering, and others? Participants in the recent AME workshop in St. Cloud, MN, “Lean Office Events — Mapping Your Way to Change”1 learned how to apply lean principles in non-production areas. The event included a kaizen blitz, presentation, and plant tour at The Antioch Company in St. Cloud.

Awareness: Need for Change

Sometimes there’s a reluctance to acknowledge the need for lean outside of the production floor. Before launching an attack on waste in office processes, you need to determine what bottlenecks cost time and money (not to mention frustration) in day-to-day activities, said Kristi Huls, president of Successflo, a training group within Antioch. She and Successflo Vice President Jane Mobilia-Witte facilitated the workshop.

Mobilia-Witte suggested that, if you answer "yes" to any of these questions, you should consider implementing a lean program in your office:
1. Is overtime common?
2. Is rework a fact of life?
3. Do employees spend a lot of time compiling, copying, and filing paperwork?
4. Is there more than one way to perform a task? Is one way better than another?
5. Do employees spend time searching for files, messages, or packages?
6. Has the company grown without changing processes?
7. Have Band-aids® been applied to areas that were broken?

Conversely, a "no" answer to the following questions can prompt consideration of a lean office program:
1. Do you have standardized procedures?
2. Do you implement best practices?
3. Does every process have an owner?
4. Do employees understand how their role affects a process?
5. Do people communicate the right information at the right time to the right people?

Going lean in the office isn’t easy. In the shop, employees may be accustomed to increasing productivity and efficiency. In the office, some people do not know what productivity is and they may not have heard of lean. "I recall two

In Brief

Learning to eliminate non-value-added (NVA) activities in office processes can be challenging. This article offers "how to" information for getting started on lean office events and related "lessons learned" at The Antioch Company.
things vividly when we first started lean events in our company,” said Huls. “One, people thought it was a new employee named Lena Vent, and two, after we gave out shirts for each event that had the phrase ‘Lean Event’ on them, employees wearing the shirts were asked what weight loss program they belonged to. Many office employees may not have thought about whether their jobs and processes are efficient. Since they aren’t part of the direct cost of the product, they are left behind on the journey to lean. But in fact, the office is where you’ll find most of your opportunity; improving value-added here will eventually affect your organization’s bottom line and hopefully your product cost.*

Why is it so hard to bring lean concepts into the office? Among the numerous reasons cited by Mobilia-Witte and Huls are: no time, lack of understanding, lack of cooperation between departments, not a directive from the top (so why do it?), belief that lean does not work in the office, and an attitude that office workers are above that kind of program. The list can go on forever, they noted, and employees at each company have different reasons reflecting their culture.

**Analyze Metrics**

Before you get started on a lean office event, consider metrics. Metrics must be analyzed during lean office events to ensure that they meet the needs of the project, and that results from the event can be documented. If you don’t have a baseline to measure against, or don’t know what should be measured, a lean office event is a means to develop appropriate metrics and generate action items where improvements are needed, according to Huls. She suggested starting on a small pilot, then moving to more complex projects.

“Metrics are a great way to see how you are performing. But do you know if you are measuring the right things or getting accurate information? For example, one of our plants showed excellent bill of material (BOM) and router accuracy,” said Huls. “It turned out that the data we gathered had been staged after errors were found and fixed! Currently we take a sampling of products that were manufactured during the month and check the BOM and router for accuracy. We recently realized that when the sample run is produced, the BOM and router are checked by manufacturing and updated prior to full production. Guess what? Our accuracy for sample runs is not pretty. Were our metrics set up blindly? Absolutely not. We initially set them up in three of our facilities; they effectively reflect BOM and router accuracy. We transferred the metric to our fourth facility, which has different product lines and processes; the metric was useless at the fourth site.

“In another example, we worked with a company that builds and delivers construction equipment. During a lean office event, a customer pointed out that deliveries were always late. The manufacturer could not confirm or dispute the claim, because they were not measuring on-time delivery. After the metric was implemented, they rated 27 percent on-time delivery. The customer was right. Action items derived from the event focused on improving on-time delivery. Those systems were implemented, such as ensuring paperwork follows the machine from production through shipping, and also determining realistic ship dates in conjunction with the customer, marketing, engineering, and production. On-time delivery significantly improved.

**Updating Your Metrics**

Metrics need tune-ups, too. Business practices change over time, and yesterday’s yardsticks may no longer be appropriate.

“For years, we recorded the products that were returned to our company,” said Mobilia-Witte. “It is important information for product design, quality, engineering, marketing, sales, and shipping. We were surprised that we weren’t showing improvements in this area based on efforts to improve the products that rated high for returns. That is because one of the products being tracked was not really a product. It was a marketing tool that was mailed monthly to all company representatives. If it was undeliverable, it showed as a return. But in reality, this tool was never really returned. This mailing, sent to 70,000 people, had a considerable undeliverable rate. In fact, the variety and number of mailed pieces has increased substantially over the last few years. The solution was to set up an additional metric specifically for mailed pieces to drill down and localize our undeliverable issues. After a new metric was implemented, the returns metric finally reflected our product improvement efforts. Returns went from .3 percent to .1 percent. The mailing metric now provides enough information to take action for improvement.”

Metrics can drive the wrong behavior, added Huls. She said, “We kept a spreadsheet showing the milestone status for all product development projects. During a recent lean office event, we found that this spreadsheet was a great tool for some, but wreaked havoc for many others. In order to main-
tain a good status on milestones, project managers were massaging the dates. The metric drove them to change dates and timelines to make it look like a project was on track instead of working with the team to meet the milestones. This activity absorbed many hours every week. We deleted the milestone status from the spreadsheet and the project teams, not just the project leader, now are responsible for keeping their projects on track.

What do you do with your metrics? "If your metrics don't cause you to take action, then what is their purpose? During one of our lean office events, a team member asked what we did with the information gathered about the sources of engineering changes," continued Huls. "The intent was to work with the departments that submitted the most unplanned changes. Guess what? Follow-up discussions to eliminate the excessive engineering changes did not take place. It also turned out that the information about engineering changes is readily available as a computer report that can be pulled anytime. When the need arises to analyze the information, we can run the report and take action. The metric was abolished."

Huls and Mobilia-Witte noted that metrics should tie to the bottom line. "This is doable with the right metrics," Huls said. "But how do you put a dollar value on communication? Our biggest benefit from a lean office event is awareness among team members. When they leave the event, they all understand the up- and downstream parts of their process. It’s a way to remedy the common situation in which team members don’t know each other and how their activities affect others’ activities, even though they are part of the same process. During the event, people get to know each other and they develop a bond. In turn, once they leave the event, their day-to-day communication improves. When their communication improves, what impact can that have on the bottom line? Perhaps it will result in reduced rework, quicker turn-around time, or higher-quality products." Huls noted a continuing challenge is how to quantify those performance gains and link them with overall organizational performance, and that average annual savings resulting from each Antioch lean office event is $32,000.

**Getting Started**

When Huls and Mobilia-Witte started the lean office program, it was a grassroots effort. Their motivation was simply to apply all of the lean concepts they had learned from various conferences, books, and seminars. "Getting started doesn’t have to be complex or difficult," they said. "We believe our program is effective because it is simple, effective, and non-invasive."

Once you’ve documented the need to evaluate the activities in your office, where do you start? Huls and Mobilia-Witte said that the typical two-day lean office event process is fairly simple. (See the box, "Twelve Steps of a Lean Office Event.") Select the process (request for quote, capital expense request process, accounts payable, etc.) you want to improve. "Just get started on a process that needs improvement.

---

**Twelve Steps of a Lean Office Event**

1. Prepare. Select the team, create the initial project scope and goals with the process owner, and coordinate the event.
2. Train the team. A little training goes a long way to ensure a successful event.
3. Finalize the scope and goals. Do this with team members during the event, setting boundaries and the tone for the next couple of days.
4. Document the high-level process outline. This breaks down the process into usable sections for the interviewing process.
5. Interview team members in the process. Gather details about the current state and capture action items and ideas.
6. Create a current state map.
7. Define the value-added activities. Emphasize that only five to ten percent of activities will be value-added in many projects.
8. Develop the future state map.
9. Review and assign action items and assign responsibility.
10. Recap what transpired during the event, celebrate, and close — time to send the team off to work on action items!
11. Post-event activities. Put all of the information documented through out the event into an electronic format and share it with the team, and make it accessible to others in the organization through the company intranet or other means.
12. Follow-up meetings; reconvene one to two months after the event and review the status of the planned changes. Up to four follow-up sessions are typically needed before the future state is fully implemented.
rather than spending a lot of time researching how you can save the company a million dollars. Initially we all know what processes need an overhaul," Huls said. "Don't bite off more than you can chew on an initial project; you can expand to other processes later."

"We use facilitators to conduct our lean office events," said Mobilia-Witte. "They remain neutral, unbiased, and keep the team focused and on track. The facilitator develops the initial project scope, goals, and team roster with the process owner. It is important to involve them in planning the event."

The facilitator schedules and coordinates the event. Huls said that, during the event, the facilitator trains the team on lean office concepts, the techniques (such as defining value and developing a future state) they will use to analyze their process, and their roles. A clear understanding of roles played by individuals in the lean office event will enhance your project success. Process experts, novices, facilitators/support people, and decision makers all contribute to needed changes.

Following project "rules" can make or break the project. Huls and Mobilia-Witte are not advocating a stuffy, formal project. They'd like people to have some fun while they're taking non-value-added activities (NVA) out of their processes. By rules, they mean: Be open-minded, don't take it personally, nothing is off limits within the process being evaluated, respect other team members' opinions, ask "why" five times to find the root causes of problems, start meetings on time, and don't hold side conversations during project discussions.

Although office work flows vary widely, there are common wastes uncovered during the lean projects. Among the NVA discoveries made most often during these events are: lack of awareness, poor communication, ineffective or jumbled process flow, multiple files with the same information, excessive photocopying, rework, etc.

The team finalizes the scope and goals for the event. It is important to define the scope. Mobilia-Witte said it's also useful to know the team members' objective in changing the process. Their answers usually highlight the "broken" areas of the process.

Next, develop a high-level "map" of the process, similar to an outline. (See the box, "About Process Mapping.") Interview associates working in the selected area to gain current state details. This is the time to find out what's really happening versus what you think is happening. Interviewing brings out unresolved issues and ideas for change, captured by the facilitator on a flip chart.

The team is dismissed after interviewing is complete. The facilitator creates the current state process map and then brings the team back together to review it.

Then the team is ready to create a future state process map. The whole team brainstorms ideas for change and determines what the future will look like. The facilitator creates the map as each part of the process is changed.

"It is now time to review all of the action ideas captured throughout the event," Huls said. "Assign accountability and due dates to the items that apply to the future state. Depending on the complexity of the action items, set a date for the first follow-up meeting. This usually happens 30-60 days after the event."

"A great example of outcomes emerged from an event regarding product artwork," said Mobilia-Witte. "A team reviewed the process from the time product artwork was requested through pro-

---

**About Process Mapping**

**First:** Gather information about the process current state, interviewing associates involved in the process. You may uncover some surprises about what's really happening.

**Second:** Map the process current state. Develop a process map based on the data collected in your initial interviews.

**Third:** Analyze the tasks you've documented. Are they NVA (non-value-added) or VA (value-added)?

**Fourth:** Brainstorm solutions/changes. Document these ideas. Then, as a team, select the one you will implement or schedule as an action item.

**Fifth:** Create a future state map. How should the process look in the near term, also medium-term, and long-term?

**Sixth:** Get started on the changes, measuring your performance against your goals.
duction. The artwork was always late and production was always squeezed for time. We found the process itself wasn’t flawed, but our company had so many new people who had no idea what the process was. The team ended up with over 100 action items. Most of them were categorized as ‘training gap issues.’ A team was assigned to develop a training program. Six weeks later, a 13-workshop program was rolled out. Everyone associated with product development was required to attend. It was updated and presented each quarter for a year. The artwork process runs more smoothly and new hires learn the process via an assimilation program.’

A process to coordinate conventions was analyzed in another event. “Our company holds an annual national convention for 10,000 representatives,” Huls said. “It takes two years to plan and it touches every department in the company. This example illustrates the benefits of awareness. We recently held a follow-up meeting and changed the process again! One of the steps in the future state was to have a meeting to inform people about a specific aspect of the convention. This was put in place because key people were not aware of the process. Or more to the point, they were not aware of the up — and downstream effects of not following the process. Due to the lean office event and other process changes, the team was able to eliminate that informational meeting. Simply holding the event made people aware of certain issues (such as information required and the importance of keeping deadlines) and led to their resolution. These kinds of things are what prompted the tagline, ‘Team Solutions, Priceless Knowledge.'”

**Sustaining**

Follow-up meetings are critical. "Without these, not much will change," said Mobilia-Witte. "The facilitator coordinates and runs these meetings. Continue holding follow-up meetings until the future state is implemented. Work with the process owner to quantify the benefits of the changes. At the last meeting, update the future state map to reflect the actual changes and share the results with the team. Celebrate!"

Keep the improvement momentum going. Schedule lean events on a regular basis; share results with senior management and throughout the organization. Recognize lean project teams, and post results (and/or share on your company intranet, etc.). Fellow employees will understand what can be achieved in the lean events if they learn what the event was about and what was achieved — including ways that obstacles inhibiting performance were eliminated. Introduce lean concepts to new and current employees through training sessions, brochures, and other communications. All of these approaches depend on your company’s culture.

Sharing results in whatever way you can spurs more lean activities throughout the company, according to Mobilia-Witte and Huls. Last year, after attending a lean event for the first time, an Antioch employee from the sales department applied the lean concepts to other aspects of her job. "She took the time to update a mailing list that had been used for years," said Huls. "This individual’s effort saved our company $40,000 annually in mailing costs.”

*Figure 1. Antioch team members brainstorming process changes.*
Lessons learned

Huls and Mobilia-Witte offered “lessons learned” suggestions for others embarking on lean office projects:

* Keep it simple
* Don’t over-analyze
* Get started!

Editor’s note: Jane Mobilia-Witte and Kristi Huls co-authored the article, “Lean Office Events — Priceless Knowledge, Team Solutions,” in the Third Quarter 2003 issue of Target.

Lea A.P. Tonkin, Target editor, lives in Woodstock, IL.

Footnote 1. Kristi Huls and Jane Mobilia-Witte of The Antioch Company will be presenters at the AME annual conference October 18-22 in Cincinnati; their topic will be Lean Office – Mapping Your Way to Change. The Antioch Company, based in Yellow Springs, OH owns the business divisions of Antioch Publishing, Creative Memories, zeBlooms, and Our Own Image. It has four manufacturing plants. Employees at facilities in St. Cloud, MN; Richmond, VA; and Sparks, NV make albums and pages and distribute product for Creative Memories; bookmarks, journals, and other products for Antioch Publishing; and distribute Our Own Image products. The Sparks, NV employees also distribute the zeBlooms line. Huls and Mobilia-Witte noted, “We have been doing lean office events for two years. As word got out about what we were doing, it generated many requests for more information. So, in 2003, Successflo™ was launched as a service of The Antioch Company. It includes a workshop to teach people how to facilitate a lean office event for their organization. Our mission is to provide premium programs and easy-to-use tools to help others create a lean office environment.”

© 2004 AME® For information on reprints, contact Association for Manufacturing Excellence www.ame.org

Competitive?

We can make it happen.

Experts in Kaizen and Lean Manufacturing

“Your Lean Solutions Source™ for Practical and Cost-Effective Implementations”

Let our consulting team of experts guide you to Baldrige Award, Shingo Prize, & IndustryWeek Best Plants levels of performance.

(210) 561-4800
sales@m2global.com
www.mwglobalsolutions.com