



## Operational Excellence Through Consistent & Standardized Processes

*Doing it right the first time and every time.*

“All of my employees have a thorough understanding of how their job is to be performed and what a successful outcome looks like. When defects in the process do occur, we are quick to notice and we always develop a data-driven, methodical and sustainable solution that does not create any downstream unfavorable consequences.”

- How would you like those bragging rights?
- What costs would be realized from your operation, if you efficiently and permanently resolve defects as they occur or prevent them from happening in the first place?
- What waste would you eliminate by doing it right the first time?

### Getting Started: Assessing Your Current State

If you do not have a library of documented practices and procedures, you will most likely need to embark on a scavenger hunt to poll all departments and gather what they have. Or, you might need to just start from scratch. Mapping out the work flow is the best way to start as it can ensure that any existing documents describe the process accurately.

Writing solid procedures and finding the critical control points is an important step in going from a reactionary problem-solving approach to a preventative, defect-free process. Remember that quality and defects have an inverse relationship. Assigning a cross-functional team to review and approve the SOPs will help to assure buy-in from the entire organization.

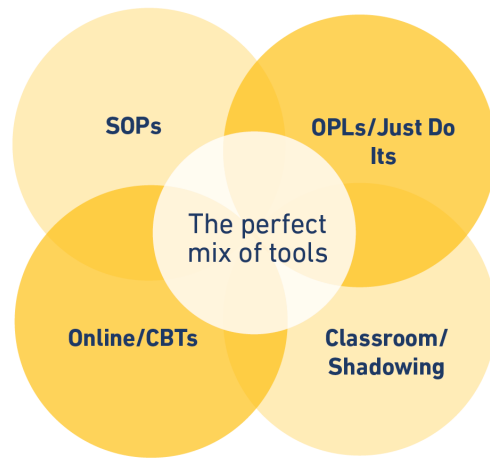
As you were creating the SOPs you most likely identified better methods and developed Best Business Practices (BBPs) along the way. Now you need to create the training tools and methods to educate your associates with the new standardized procedures. You will also need to develop the controls and reporting tools to make sure everyone is executing the procedures as designed.



## Next Step: Training, Compliance & Review

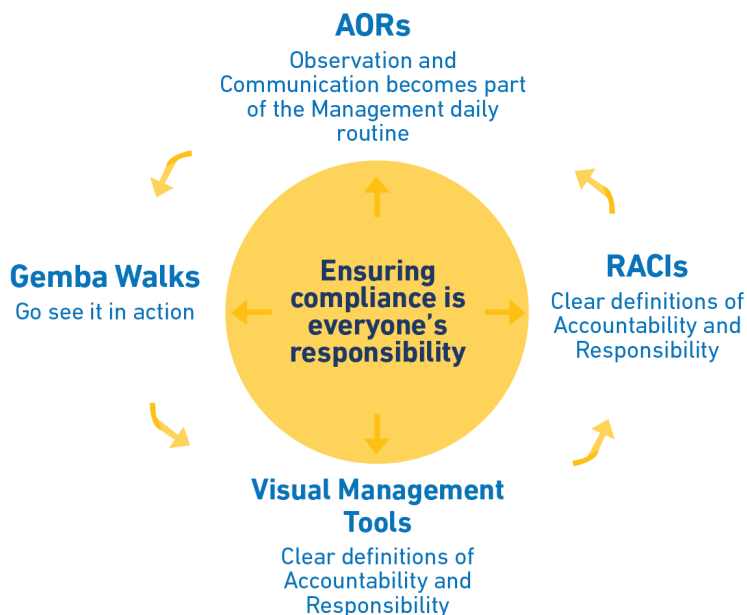
### Training

There is no 'one size fits all' methodology for operational training as all positions will be affected in one way or another. Finding the perfect mix of tools will depend on the subject and your audience. Some tools will require the SOPs to be completed before training can start, yet others, such as One Point Lessons (OPLs) and Just Do It, can be rolled out as they are developed. You will also need to develop on-boarding programs for any new hires/new to the position as well as follow-up sessions to reinforce the initial training.



### Compliance

Although many will adapt to the new process, it is human nature to revert to the old process. You will need to establish Areas of Responsibilities (AORs) and assign the accountability and responsibilities for execution to the management team on the floor.



The Senior Leadership team must show support of the new processes by interacting with associates during periodic walks through the facility and ensure that the management team is providing objective, timely, and consistent praising and coaching to the associates. Developing visual management tools, such as KPI boards and status charts, will allow the entire team to share in experience.

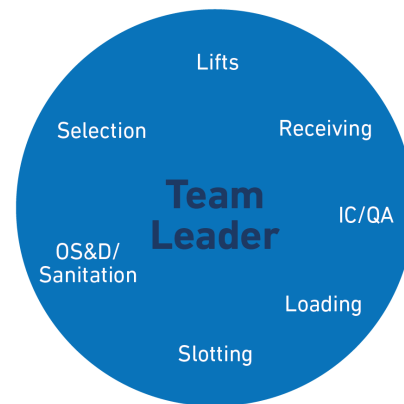


## SOP Review Boards

Change in the business environment is inevitable making periodic reviews of SOPs a necessary step in keeping them current. At a minimum, reconvene the cross-functional team for SOP reviews annually. Establishing a nomenclature and version control policy ensures that the most current version is in circulation.

## Common Team Goals and Cross-Functional Teams

When trying to implement a major change or solve a problem that spans many departments, the best approach is to establish a cross-functional team to run the project. The Senior Leadership team will need to assign an Executive Sponsor for oversight and a Team Leader to run the day to day activity of the team. In conjunction with the Executive Sponsor and the Team Leader, the team will define the problem, establish the scope, and document the team/meeting rules. Defining success for the project will require identifying the KPIs to track progress and setting goal, and end dates.



Setting the time period to measure for a KPI is dependent on the availability of data and nature of activity about the subject you are measuring. A manufacturer might want to see how many cans per minute are being produced, a warehouse manager might want to know how many cases are selected per hour, and inventory control may be interested in how many adjustments are made per day. You will need to ask yourself, “What am I studying and what data is readily available so it will be easy to maintain?” You need to set a baseline from current trends that do not contain data anomalies as any improvements you are trying to make will be compared to this baseline.

Once all the goals and KPIs have been established, a reasonable test needs to occur. Do you have the band width to work on all goals simultaneously? Remember, all the team members had full time jobs before this started and still do. In conjunction with the Team Leader and Executive Sponsor these goals will need to be prioritized and assigned Milestone dates with expected results for each KPI. Most likely some goals will end up in a hopper to be worked on after the higher priority ones are achieved and have become daily/weekly routines for the workforce.

The next step is to assign ownership of the KPIs. Assign a Subject Matter Expert (SME) to a KPI in their area of expertise. To the overburdening point above, you need to keep this to one or two per SME. Owning a KPI requires reporting on the progress at the Team Meetings and if you are behind the curve, reporting on what actions are you employing to get in front of it. Encourage the other team members to respectively challenge their actions. The Team Leader’s role is to keep the discussion fair and moving in the right direction.



Team meetings should be documented in a consistent format each time. An agenda, Action Tracker and Attendance Tracker is recommended. Actions should be for only current activities, so if for some reason the activity cannot be started it should be listed in the upcoming events section of the agenda and addressed on the date it becomes due. Adding the Define Measure Analyze Improve Control (DMAIC) process to the team's toolbox would be an amazingly effective enhancement.

## **Summary**

Sound procedures, proper training, and supportive follow up can provide you with a consistent high level of quality your customers deserve. If you are starting from scratch, need to update due to major system/operational changes, or are just looking to fine tune what you have, let us help! Alpine can provide your organization with a roadmap for procedural development, training programs for consistent execution, and problem-solving methods through cross-functional teams that will improve the quality of your operation.

## **About Alpine Supply Chain Solutions**

Alpine Supply Chain Solutions, based in Chicago, IL, is a supply chain consulting company driven to ensure their clients get the most value from their investments. Their approach to every project starts with the data and ends with a cost justifiable solution. With deep roots in industrial engineering and warehouse operations, Alpine's approach is unique. Alpine Supply Chain Solutions works with customers to optimize their facility operations. Find out how Alpine can help with your next supply chain project

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