



The Single Most Powerful Process Improvement Tool?

Published: July, 2008 - iSixSigma Magazine

If you could choose only one method for unlocking value quickly in your organization, what approach should rise to the top of your list? If you could adopt only one method for shaping your organization's culture toward continuous improvement, what tool should you use? The answer to both questions is Work-Out.

Work-Out certainly shouldn't be the only process improvement tool employed – far from it. The power and utility of Lean Six Sigma, Six Sigma, Lean, Design for Six Sigma and other analytically intensive methodologies are unquestioned, and these tools have generated enormous value in a wide variety of settings. But, perhaps because of its relative simplicity, Work-Out is often underemphasized – and underutilized – as complement to these well proven approaches.

Not a Contradiction: Lasting Improvement and Speed

Work-Out is a structured, systematic way to bring people together to develop rapid, lasting improvements in process performance. The improvements are typically implemented in 90-120 days. Evaluating Work-Out at GE, Jack Welch observed, "Trust the people in the organization – the people in the best position to improve a business are the people in the job every day." This reflection goes to the heart of what makes Work-Out so powerful. By design it engages the best thinking of the those in the organization who are closest to the processes, who "live them" daily, and who invariably have a lot of ideas for improvement – they just haven't been asked to contribute in a structured way that ensures their best ideas get implemented and supported.

A Work-Out starts by setting a specific, measurable challenge and goal (clearly linked to strategic priorities), identifying the cross-functional set of participants who need to be involved, and by collecting relevant data prior to the Work-Out event. While planning and preparation usually takes four to six weeks and implementation occurs over 90 days, the Work-Out event itself takes only two to three days.

At the event, participants walk through a carefully structured format to

- brainstorm issues and potential solutions,
- prioritize and select among leverage points,
- develop recommendations and specific action plans, and
- gain explicit approval from relevant leadership.



The approval occurs at the end of the event where the leadership is convened as a “Decision Making Panel” and asked to say “yea” or “nay” on the spot. Approved solutions are then immediately put into action, with action plans typically set on a 90 day timeline.

Compared to other analytically intensive interventions, Work-Out appears simple – and in many ways it is. Unlike Six Sigma and other more analytically sophisticated approaches, Work-Out relies heavily on judgment and experience, with just enough data and analysis to support and enable creativity and intuitive insight. Yet, done thoughtfully, it is a very powerful way to get results quickly, with very high ROIs. As importantly, it has a legacy of contributing to an energized and committed workforce that then has a sharpened awareness both of opportunities and the ability of individuals to effect positive change.

Like Duct Tape: Infinite Creative Uses

One of the attractions of Work-Out is that while it can be deployed on a “stand-alone” basis and achieve rapid results, it can also play a complementary (and often synergistic) role in the context of a comprehensive process improvement effort that incorporates Lean, Six Sigma, and Lean Six Sigma (LSS) initiatives.

Employed at the start of a comprehensive deployment, a classic Work-Out event can help capture the “low hanging fruit”, energize the organization, and clarify where it makes sense to focus Green and Black Belt projects in ways that tighten their scope and strengthen project impact.

In the early stages of a Lean/Six Sigma effort, selected portions and techniques of a Work-Out can be used by teams to good effect. For example, in a recent Lean/Six Sigma effort aimed at global transport, we helped jump-start the effort through use of Work-Out’s “Gallery of Ideas” technique and prioritization tools to quickly build consensus around project priorities and a deployment roadmap for a series of global Lean/Six Sigma projects.

Work-Outs may also be helpful throughout the entire trajectory of a LSS project.

For a global refinery maintenance Six Sigma effort that was far into the Define stage, we employed Problem Statement generation to develop a shared view of opportunities from a global perspective to sharply accelerate their progress. With Measure methods that are people-dependent (e.g., non-technology driven Gage R&R issues), excellent results can be achieved by engaging workers in a quick Work-Out. If it becomes apparent during the Analyze phase that sophisticated statistical tools are overkill, consider recasting that portion of the project as a Work-Out. The results of root cause assessments may reveal opportunities for Improve that can

be addressed most efficiently through a Work-Out. Finally, *Control* stages that start to regress despite appropriate tools in place may be being undercut by bureaucratic hand-off/coordination issues that can be effectively addressed through a Work-Out.

Practical Matters: Seven Criteria for Successful Work-Outs

While conceptually straightforward, Work-Out should be approached with care and precision to ensure success. There are seven essential elements. Together, they form an integrated set of criteria – all of which need to be present for any specific Work-Out, and when they are, success is virtually guaranteed:

1. Careful preparation – scoping, participation, data collection, and role clarity

Selecting areas for improvement that are meaningful for customers, for employees, and for business KPIs is essential, as is having a *challenge statement* that is sufficiently broad to require cross-functional involvement while providing a tight, measurable focus. These ingredients, in turn, enable appropriate team selection, data collection, and roles/involvement.

2. Generation of a rich set of ideas and potential workable solutions

Tapping into the creativity and insight of those directly involved in a process is the keystone of a Work-Out, and brainstorming/innovation techniques need to be involved skillfully, at the right places, to elicit the substantial value people collectively have to offer.

3. Effective prioritization and selection

Lots of good ideas may be essential, but without a structured way to group, prioritize and selectively develop the most promising, the process is at risk of developing a lot of interesting lists, but little action.

4. Effective guidance and facilitation

Skilled, objective guidance and orchestration is essential – both before and after the Work-Out event, but especially during the event itself. This means *trained* facilitators for the breakout teams, and an experienced lead facilitator. All facilitators further need to be fluent in the natural first language of the participants.

5. Clear and compelling communications to engage decision makers

Having clear, consistent, simple, and compelling presentation formats and delivery is critical. Although it seems like a “nice to have” element, we have found this is essential for Decision Panel members to feel comfortable that they understand the teams’ assessments and recommended course of action well enough to make important, on-the-spot decisions in a very “public” forum.



6. Enablement of rapid, fully committed decisions

Decision Makers are seldom initially comfortable with making fairly rapid decisions in direct discussion with their and their peers' reports, yet this ingredient is vital to a successful Work-Out. In most Work-Outs, they will need coaching beforehand and a well-orchestrated, supportive environment to do comfortably and with confidence.

7. Implementation tracking and follow-through

Finally, a critical link in Work-Out's efficacy is the teams' development of Action Plans as an integral part of their recommendations. These plans provide a very clear roadmap for implementation, including steps, responsibility, effort, completion dates, and accountability for each action plan.

ROI: Unlocked Value and a Spirit of Continuous Improvement

While the Work-Out approach in some form has been around for decades, it remains one of the most effective means for eliminating non-value adding work, improving internal working relationships, and enhancing service to customers – and doing this quickly and efficiently to bring about rapid results. It is the one process improvement tool that can almost always be used to generate rapid financial returns. Beyond this, it is an outstanding way to energize management and down-the-line staff in a way that builds commitment, enthusiasm, and a spirit of continuous improvement.

How-to Roadmap: Structure, Roles and Responsibilities in a Work-Out

A Work-Out has well-defined roles and three fairly distinct phases: (1) Design, (2) Conduct, and (3) Implement.

Design and Preparation

The design and preparation phase typically begins four to six weeks prior to the event, and involves engaging senior leaders, or "Sponsors", for the Work-Out who will directly benefit from its success. Their role is to select the topic and craft the "Challenge Statement" for the Work-Out which defines clear goals and value to be derived. In this stage, key activities are selecting participants and organizing the event, collecting data, and briefing key players on their roles. The number of participants varies, from 20-30 people up to a maximum of 100. Communication with the participants begins now.

A key output from this phase is a succinct "Scoping Document" that lays the groundwork for a successful event and includes at least the following:

The Challenge and expected value to be derived: A brief statement that clearly captures the what and why of the Work-Out. This must represent realistic stretch goals



in a part of the business recognized by participants to be an important opportunity area – neither too broad nor too narrow.

Scope: A description of the areas and sub-topics explicitly in scope, with clarity around what the participants should not consider (for example, longer term systems “fixes”, or capital investments over a stated amount).

Leadership and logistics: Identification of the Sponsor(s) proposing the challenge, proposed dates, and venue (generally off-site).

Participants: Identification of team members, facilitators, and persons with ad hoc expertise who will be directly involved in the event and the implementation phase

Decision Panel: Identification of the group of 5 or fewer (typically 3) who will have the authority to make “on-the-spot” decisions on recommendations within the Work-Out scope.

Stakeholder considerations and perceived risks: Description of organizational and environmental realities identified as relevant to producing the optimal set of recommendations that can be practically implemented within 90 days.

Conducting the Event

The event itself is a carefully orchestrated process aimed at capturing all possible ideas relevant to the challenge, and moving “down a funnel” through prioritization, selection, and careful documentation/presentation, so that the outcome is a manageable number of realistic action plans that collectively deliver against the challenge statement. A typical high level agenda might include the following elements:

Typical Work-Out Agenda

Day 1: Identify Problems and Opportunities

- Introduction/Sponsor remarks/Challenge Statement
- SIPOC (high level process map)
 - Who supplies Inputs to the process?
 - What specifications are placed on the Inputs?
 - Who are the true Customers of the process?
 - What are the Requirements of the customers?
- Gallery of Ideas
- Problem definition



Day 2: Find Solutions

- Root cause analysis
- Solution generation and selection (prioritization)
- Presentation production (with clear guidelines)

Day 3: Decide on recommendations/launch implementation

- Finalize presentations
- Refine and rehearse
- Conduct decision panel

The Gallery of Ideas on Day 1 is a structured brainstorming session, where the outputs are grouped to be worked on by breakout teams. Facilitators lead the teams in crafting specific problem statements, generating and prioritizing solutions (including costs, benefits, and risks) and defining specific action plans to guide their execution. The team-on-team sessions sharpen the work and ensure input from all of the participants as the teams work toward clear and compelling recommendations for the decision making panel.

The decision-making stage is conducted so that clear “yes” or “no” decisions emerge (with an occasional “yes subject to the following modification” – a decision subject to the team’s concurrence).

Implementing the Decisions

The third phase of a Work-Out spans the 90+ days following the event, during which the “agent” for the Work-Out stays in close contact with “drivers” for each of the action plans, to ensure the plans stay on track and the drivers receive whatever support they need to drive full implementation. Sponsors and the decision making panel members are kept informed with status updates at least every 30 days and a formal review at the project end date.

Who’s Who in the Work-Out Process

To involve large numbers of people simultaneously in process improvement, a variety of roles need to be fulfilled in a carefully orchestrated.

Participants: A Work-Out’s success depends on the participants. It is their ideas, based on their intimate knowledge of their view of the process, that determine the quality



of results. Their role is to be familiar with the intent of the Work-Out prior to the event, and come ready to share their best thinking and participate fully in discussions.

Sponsor(s): The Sponsor is the senior manager responsible for identifying the opportunity area on which the event will focus. He or she works closely with the Designer and Agent in “scoping” the Work-Out (that is, what will be the area examined, what the specific “challenge” and anticipated value will be, and who should participate). After the event, the sponsor oversees implementation (with help from the Agent and action plan Drivers). In short, the Sponsor has overall responsibility for the success of the Work-Out, and for realizing the performance improvements and benefits identified during the event.

Agent: The Agent is a usually direct report to the Sponsor, and in many ways “owns” the success of the overall effort. During the event the Agent helps insure common usage among Participant teams (for example, consistency in metrics) and identifies issues and opportunities that may need to be broached to the Decision Making Panel members prior to the event's conclusion. The Agent plays a critical role in implementation to ensure progress occurs and recommendations are executed.

Drivers: “Drivers” lay out the steps for individual action plans and the timing for implementation of approved recommendations. They ensure that agreed actions are completed on time, and that any incremental resources needed are identified and that roadblocks are removed.

Designer: The Work-Out Designer provides expert assistance to the Sponsor and Agent to ensure that the Work-Out is carefully scoped, including a challenge that is neither too broad nor too narrow, identifying what data and access to experts participants may be needed, and working closely with the Sponsor and Agent to ensure the right people are selected as participants. In addition to providing “hands on” assistance in scoping, the Designer plays a “quality control” role to ensure that Work-Outs across businesses have the essential ingredients to support success, and that a Work-Out is indeed the optimum tool to utilize from the suite of Process Fitness methods and approaches. Often, the Designer will also be the Lead Facilitator for the event.

Lead Facilitator: The Lead Facilitator acts as a “Master of Ceremonies” for the event itself, introducing the agenda and the players, and running the event to ensure it stays to schedule. The Lead Facilitator works with the Agent to ensure consistency and overall quality, and conducts the Decision Making Panel discussions that conclude the event.

Facilitators: Typically, much of the work in an event will take place in teams of participants, each of which with an assigned facilitator assigned. The facilitators provide process support – not content. (In fact, in-house facilitators should generally come from



a different business unit to help enable this.) Their role is to facilitate structured team discussion, act as scribe and provocateur, and help the team shape, document, and prepare for their presentations to the Decision Making Panel.

Decision Making Panel: The “DMP” is comprised of the Sponsor and up to four other senior managers. At the conclusion of the event, they will hear the recommendations from the teams, ask questions for clarification as needed, and give an immediate “yes or no” decision to specific proposals. Along with the Sponsor, they share responsibility for providing implementation oversight, and removing any obstacles to successful execution of approved recommendations.

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