



Lean in the Office

We have for more than a decade now talked about, researched, investigated and implemented Lean in manufacturing; the result is that in many peoples' mind it is a factory based continuous improvement activity not related to their notion of office based activities in the UK today.

Of course manufacturers are linked with service operations and there is 'waste' in services as well. In the 'back office' or service environment it only requires a little imagination to look at an activity with the same eyes as in the factory, 'over-production' for instance can relate to excess photocopying, staff time taken up with excess meetings or wasted food in a restaurant kitchen.

'Inappropriate Processing' may relate to copies in triplicate, excess emails and over complicated/fancy PowerPoint presentations.

In 'front office' operations customer-related wastes are more relevant and potentially more costly to the business overall viz: -

Waste of Customer Time – Where a customer is forced to wait in a queue or to wait for value adding services, this is primarily a scheduling issue and more of this waste occurs when a customer has to provide the same information several times over for example when contacting a call centre and embarks on dreaded phone call 'options' journey.

Further waste of customer time can be categorised in having to wait in for a delivery that cannot be accurately time specified or having to travel for a service that is not available locally.

Waste of Defecting Customers – Of increasing concern to service managers is the loss of existing customers, disillusioned by the above and seeking a business with a different, more customer focussed approach

The good news is that office based processes are often more broken than in operations and the gains from straightening out them using lean principles are even greater. This is not surprising because they are generally subject to less detailed analysis than in most and it is easy to hide waste.

However getting the offices involved can also be a very powerful way of capturing the attention of top management. Everywhere operations complain that top management pays too little attention to their lean improvement activities. They are always fighting for attention and support

Change leaders are finding that the more you learn to see the office process, the more it looks very similar to any other process, the main differences are all about learning to see - to see who is the customer, what steps create value and where all the waste is hidden. Once you can see you can ask the right questions and build a business case for change.

But mapping the office process is not enough; you also need to spend some time figuring out who the customers for this process really are and what they really want. As I said in my article ***Lean – A Tool for Continuous Improvement of Business Performance*** – *“The starting point is to specify value from the point of view of the customer; this is an established marketing proposal (that customers buy results not products – a clean cup, not a dishwasher)”*.

What is their definition of value? In many cases it is that the process itself is invisible and they never have to worry about chasing it! So a key objective is to understand the difference between real demand and what might be called failure demand - all the staff time on both sides spent in chasing the broken process!

One of the first gains from straightening out the office process is that you eliminate the causes for this failure demand, because it is not supposed to happen the cost is hidden in overheads, therefore the only place it is really visible is in the stress level of your staff! Eliminating failure demand allows them to happily get on with the job they should be doing.

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