THE 7 HABITS OF CONTINUOUS IMPROVEMENT

KPI Fire has compiled 7 of the best practices for continuous improvement of the organizations that are thriving in this volatile and evolving business environment. We call these: The 7 Habits of Continuous Improvement.

Today business must work faster and better. It's vital to embrace the opportunity to rethink Continuous Improvement efforts and retool overall operations.

Very few organizations are waiting for the world to get back to normal. Instead, they are taking the opportunity to think strategically about what they're up against and have focused on the ability to adapt very quickly to a changing environment.

If you would like to evaluate your organization's continuous improvement efforts, please take our online quiz: Are your Continuous Improvement efforts world-class or bottom of class?





HABIT 1: LEADERSHIP VISION

(Quiz questions 2, 4, 6, 7)

<u>Leaders must</u> articulate a vision and goals describing what they believe an excellent process should accomplish.

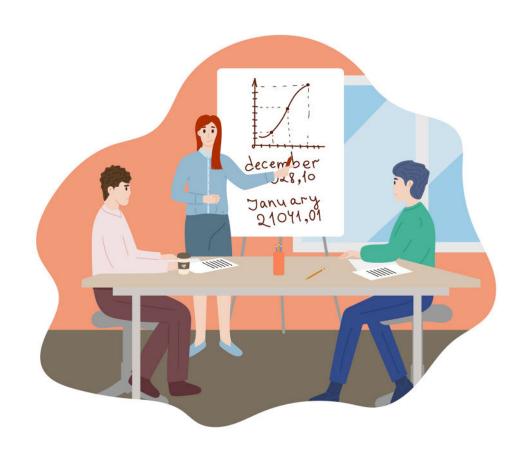
Creating a successful and sustainable <u>culture of</u>
<u>Continuous Improvement</u> requires the ongoing, active involvement of senior leadership.

Leaders must understand the importance of <u>process</u> <u>improvement</u>, and they must encourage staff engagement with a common language of Continuous Improvement built into company communications.

Leaders must focus on defining the attributes needed for success and empower the team to develop efficient and effective approaches to accomplish them.

Leaders with a strong results orientation encourage productivity and efficiency, which in the end results in better work, more improvement, and ultimately, better results.

One way leaders can do this is to <u>identify</u> the metrics and information that you need to understand how the process is performing.





HABIT 2: STRATEGIC ALIGNMENT

(Quiz questions 4, 6, 10)

<u>People need to know</u> where the group is going, and every person needs to know what they are supposed to do to contribute to the group reaching its destination.

Any group of people that wants to work together to achieve a <u>shared objective</u> needs to march in the same direction. This is true of any group of people, be it a sports team, an orchestra, or a government agency.

To achieve a Lean Culture, there must be clarity around the vision, mission, and values of the organization.

Moreover, goals and metrics must be transparent, aligned and interconnected, from the organization's strategic plan down to departmental, team and individual levels.

Doing so ensures that every employee – top to bottom – understands what the organization is looking to accomplish, and how their individual role contributes to the achievement of that vision.

<u>The best results come</u> when leaders give employees the freedom to act within the framework of a well-designed system.

By establishing shared values, clear goals and understandable success metrics, leaders enable employees to use their skills and knowledge to innovate, take calculated risks and assume responsibility for results.





HABIT 3: PROJECT SELECTION AND EXECUTION (Quiz questions 1, 3, 5, 8, 9)

Ask yourself "will the results of the project bring any difference in the life of the customer? Will it improve the perception of the customers about the quality of your product or services?"

One of the ever-increasing challenges is to define and select right measure for improvement and appropriate problem definition. Many projects encounter the problem of no linkage with business objectives or customer needs, too large or high-level project scope, and unclear problem and goal statement.

Selecting a <u>wrong project</u> could result in poor results, wasted effort and since the organization is working on the wrong projects, it would prevent the organization from working on more important issues.

Company performance is usually improved one project at a time. <u>Project selection</u> is an integral part of transforming the business.



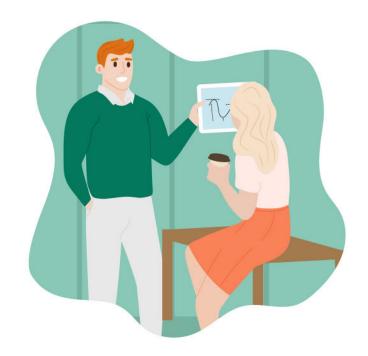


HABIT 4: STANDARDIZATION AND BEST PRACTICES (Quiz questions 1, 3, 5)

By standardizing the most efficient way to perform processes, standardized work reduces variations in the output.

In Continuous Improvement, <u>standardized work</u> is a means of establishing precise procedures to make products in the safest, easiest, and most effective way based on current technologies.

With standardization and best practices work becomes predictable: quality, costs, required inventory, and delivery times can be anticipated.





Habit 5: Communication (Quiz questions 1, 4, 5, 6)

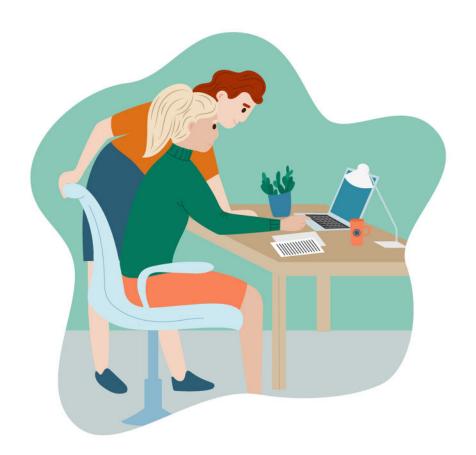
<u>Communication is the glue</u> that binds an organization together, but you can't assume that several announcements and a note on the notice board is sufficient to get the story out.

In Continuous Improvement, communication is giving others the information they need to make a good decision with a minimum of time and effort.

Ask yourself, "How do we remove waste by facilitating higher quality and less frequent communication?"

Open communication is at the center of Lean and Respect for People. Employees need to know what is expected of them and how they're performing. Visual displays such as scoreboards, scheduling charts, team communication boards, and recognition displays all help to keep information flowing between employees, departments and upper management.

Clear lean communication strategies can make all the difference when implementing new practices at work like lean manufacturing.





Habit 6: Accountability (Quiz questions 6, 10)

Daily accountability throughout the organization, especially at the leadership levels, is the key to sustained transformation.

Implementing a successful Continuous Improvement strategy requires an <u>accountability-centered culture</u> that aligns employee beliefs with desired business results.

Accountability builds trust, improves performance, promotes ownership, and inspires confidence. Remember that accountability is building a culture of trust and not fear. Your goal is not to punish and look for errors and mistakes. Instead, you seek to open up multiple feedback mechanisms, fill in gaps, improve on solutions, reward productive behavior, and remove unproductive ones.

As a leader, you yourself should hold yourself to the highest level of accountability.





HABIT 7: EMPLOYEE ENGAGEMENT AND RESPECT (Quiz questions 11, 12)

Your employee engagement rate is the extent of your workforce that <u>commits to delivering</u> your organization's mission and image.

<u>Engaged employees</u>—those highly connected and committed to their organizations' goals and values—dramatically outperform their peers on numerous measures, including their attention to quality and service.

<u>The right initiatives</u> develop and teach employees how to eliminate waste, build process consistency, and attain cost savings.

Being an advocate of employee engagement and respect will result in higher employee satisfaction and less absenteeism.





ABOUT KPI FIRE

<u>KPI Fire</u> is cloud based enterprise software for managing the 3 key elements of Strategy, Execution, and People.

KPI Fire displays your strategic plan clearly with visuals that are easy for everyone to understand. We engage and align people around common goals. And, above all, everyone at KPI Fire is passionate about one thing, helping companies execute their strategy.

Because each company's strategy is unique, KPI Fire provides a customizable platform for communicating these 3 elements of strategy deployment.

To demonstrate how we can help you to align and execute your strategic plan, give us a call at 801-456-8172 or request a demo.



