Situation
Getting new products from the lab approved for the plant network took longer each year. But competitors were getting faster. New technology promised to deliver process reengineering and increase productivity by automating the new product approvals process. But after the Product Lifecycle Management (PLM) application was implemented, things got worse. Rejection rates skyrocketed. Even after final approval, 25 percent of products were resubmitted because of quality failures. As cycle times slowed, the PLM was used less. Hard copy approval folders returned.

An internal operations consulting team conducted a lean process improvement evaluation. They concluded that extensive process standardization was required before the approvals process could be automated.

Client Description, Project Scope, Objectives
Management wanted to rapidly convert one-off approval procedures into lean standard work activities. They saw how The Lab’s non-technology improvement templates could deliver process standardization within weeks. And The Lab’s activity cube could deliver the business process modeling to quantify the benefits of process reengineering options. Within six months, 35 percent of work activities and cycle time had been eliminated. And efforts to transition the new, lean process to the PLM technology were succeeding.

A Fortune 500 consumer packaged goods producer, the company competes in multiple categories from detergents to health and beauty aids.

Implementation began with a 6-week Phase I analysis. This delivered a self-funding, guaranteed, work plan that launched the 5-month, Phase II implementation.

Improvement Implementation Examples
The Lab implemented more than 220 non-technology process improvements. Examples:

Standardized Product Testing—R&D testing capacity constraints shifted many tests to the plants, extending the approvals process and increasing costs. To increase productivity of R&D testing, The Lab used lean standard work activities to drive business process optimization. The Lab’s activity cube delivered quantified capacity planning that increased throughput by 50 percent, eliminating plant tests.

Upgraded Approval Routines—Two-thirds of first-pass approval failures were traced to inconsistent peer review routines. The Lab implemented lean quality checklists for reviewers. Continuous process improvement methods identified the best sequence for covering each checklist item. Productivity metrics quantified the effectiveness of each reviewer’s capabilities and techniques.

“Industrialized” the Task Queue—Minimal effort had been invested in allocating assignments, or tasks, in the approvals process. Lean process redesign began with detailed, activity-level process documentation. The Lab’s activity cube enabled simplification, standardization and specialization of tasks. No longer did each approver perform all tasks. The result: a knowledge work factory for performing tasks and a doubling of throughput.