

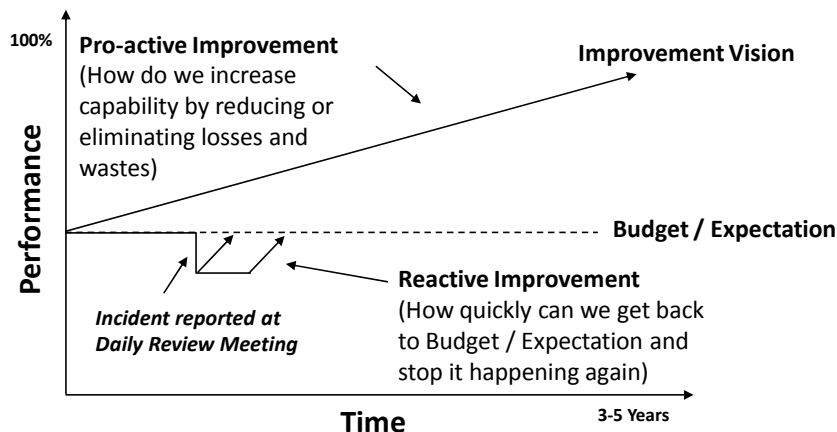
## ***The Need for Effective Reactive Improvement***

To achieve Operations Excellence organisations need to be very good at both Reactive and Pro-active Improvement. Unfortunately many organisations get so focused on Pro-active Improvement through their Lean, Six Sigma, TPM etc initiatives that they lose sight of the importance of effective Reactive Improvement.

### **Types of Improvement**

**Reactive** – ensure you achieve Budget / Expectation

**Pro-active** – take you above current Budget / Expectation



We often refer to Reactive Improvement as ‘below the line’ improvement as opposed to Pro-active Improvement as ‘above the line’ improvement in relation to the daily budgeted performance expectation.

As Pro-active Improvement gains momentum and heads you closer towards Operations Excellence, then the need for Reactive Improvement should significantly reduce. However, as a Pro-active Improvement journey can take many years to achieve Operations Excellence, there is a strong argument for getting effective Reactive Improvement in place. We have found organisations that do both are the most successful.

***We have also found that effective Reactive Improvement is a great foundation for accelerating your Pro-active Improvement activities.***

### **What is Effective Reactive Improvement?**

Reactive Improvement is your ability to rapidly recover from an event or incident that stops you from achieving your budgeted or expected performance for the day and most importantly initiate corrective actions so that the event or incident will not re-occur anywhere across the organisation.



Reactive Improvement should be initiated whenever you fail to achieve expected performance based on agreed triggers eg greater than 60 minute downtime or rework event of greater than 5% quality loss. The triggers should be set to allow sufficient problems to be addressed within resource constraints. Obviously as the triggered problems become less you would reassess and tighten the triggers accordingly eg when 60 minute delays become infrequent you would reset the trigger to say all delays greater than 30 minutes.

The key to effective Reactive Improvement is **discipline** through a very effective Daily Review Process supported by a standardised and robust Frontline Problem Solving process that is suitable for all people to be trained in, and use regularly, across the organisation.

### Daily Review Process

Most organisations have daily review meetings however far too often they are not effective. They start late or drag on for too long, they accept poor performance standards, they skip over below target performance by accepting 'work-a-round' corrective actions, they have no agreed triggers for initiating Frontline Problem Solving and follow-up to issues raised is often just done on an ad-hoc basis if done at all, with very poor monitoring or closure.

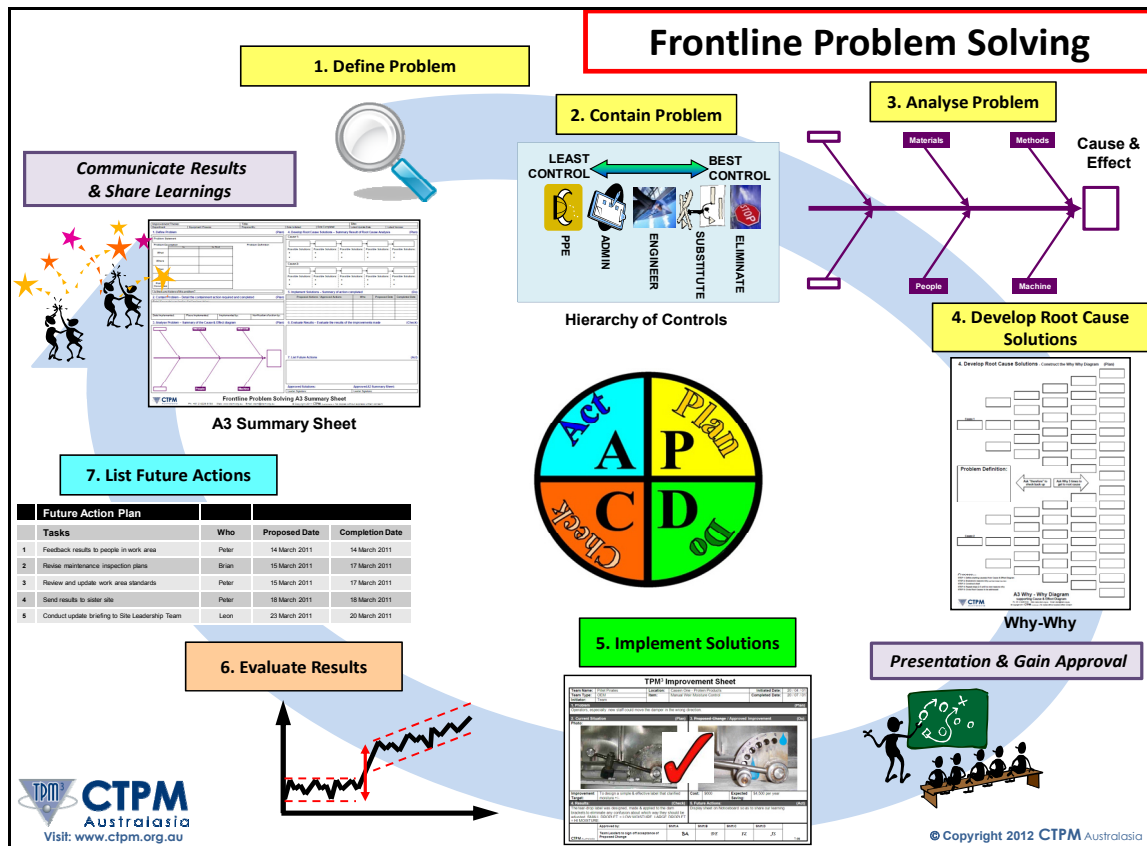
### What makes an effective Daily Review Meeting?

- Agenda displayed with clear timeframe for each agenda item;
- Current performance information is updated before the meeting by attendee responsible and displayed using visual prompts (eg red is bad, green is good);
- Stand up environment (no chairs as people think and respond quicker and more distinctly on their feet);
- Clock in room (visually controlling the time of meeting);
- Starting and finishing on time (allow people to leave after agreed finish time);
- Any deviation from expectation noted with solutions taken, or if issue has not been resolved, support is allocated to assist (to be resolved outside meeting);
- Triggers for activating a Frontline Problem Solving action are displayed and regularly updated;
- If a trigger for generating a Frontline Problem Solving A3 Summary Sheet is activated, then a Frontline Problem Solving action is allocated to a designated person with timeframe for reporting back (eg within 3 working days advise outcome of Step 4 – Develop Root Cause Solutions and proposed action plan); and
- Everyone leaves with clear expectations of required performance for at least the next 24 hours.

### Frontline Problem Solving Process

There are many Root Cause Analysis problem solving processes in the marketplace however the key (as discovered by Toyota many years ago) is to find one that can be used by all people in an organisation rather than just a select few.

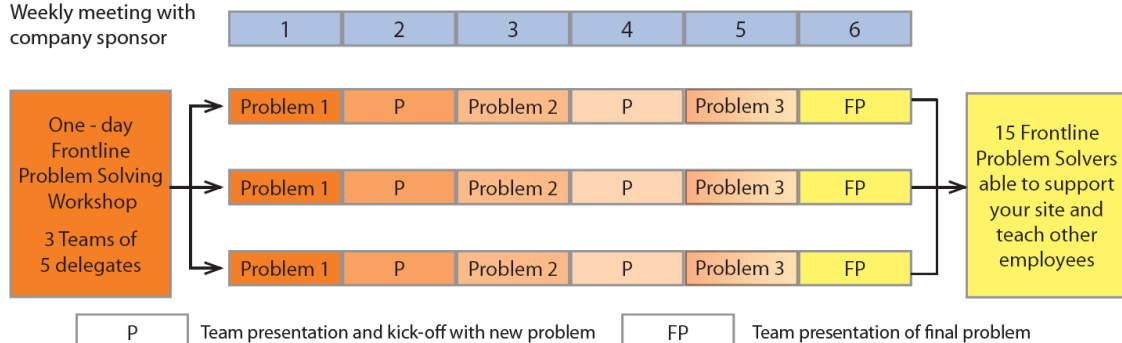
CTPM has developed a simple but highly effective 7 step Frontline Problem Solving process based on the use of Detailed Problem Definition, Cause & Effect Analysis and Why-Why Analysis that is now being successfully used by many organisations at all levels.



The key to introducing any new process into a workplace is developing an effective implementation process. Often attending a one-day or two-day workshop is a great way to be introduced to a new process, however to learn and gain confidence in a new process you need to successfully work through it at least 3 times. As such, apart from conducting public one-day workshops to introduce the Frontline Problem Solving process, CTPM now offers a very effective in-house **7 week Frontline Problem Solving Development Program** involving a one-day workshop for 3 teams of 5 followed by weekly 1-2 hour team meetings for each team to progressively work through 3 recent problems or incidents from their workplace (total 9 recent problems or incidents) resulting in organisations reporting significant bottom-line gains as their people learn and apply Frontline Problem Solving.

### Deployment Model

Weekly meeting with  
company sponsor





## Finding the Resources for Reactive Improvement

***The challenge for most organisations is how best to allocate limited resources to the required amount of Reactive Improvement***

An effective way to manage limited resources is to establish improvement policies that limit the amount of time allocated for Improvement. For example:

**Frontline Problem Solving:** Problem or Incident needs to have caused an agreed impact on performance. For example, triggers are set and when exceeded a person will be allocated to take responsibility for the Frontline Problem Solving process and report back within an agreed number of working days with proposed Root Cause Solutions and an Action Plan for approval. The typical policy for initially regulating the workload could be that a person can only be allocated 1 Frontline Problem at a time and that they have say 5 working days to report back the proposed action plan. Obviously once the action plan is agreed, then realistic target dates can be set for the completion and report back.

**Note:** The triggers would be progressively refined as fewer problems or incidents occur. For example, Toyota initiate a Frontline Problem Solving activity if they have a breakdown on their assembly line of 'greater than 2 minutes', whereas most organisations not advanced on their improvement journey may make their starting trigger as 'greater than 2 hours'.

## Key Learning

***Unless the focus of your organisations improvement is the on-going development of your people, long term sustainability will become a significant issue.***

The best way to create an environment for the on-going Frontline Problem Solving development of your people is to have them involved in Frontline Problem Solving at least 5% of their time each week, every week while ever you have events or incidents that impact on achieving your daily performance expectations.

***For more information about CTPM's approach to Reactive Improvement or Frontline Problem Solving please contact your CTPM Navigator or CTPM Head Office on +61 4226 6184 or email to [ctpam@ctpam.org.au](mailto:ctpam@ctpam.org.au).***