

# Thought Leader Perspectives: Operational Excellence

## MODERATED BY



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Walt Disney Co.



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University of Tennessee



INSTITUTE OF  
**INDUSTRIAL  
& SYSTEMS**  
ENGINEERS

Webinars that Matter in Times of Turbulence

2 February 2021

11:00 **Scott Tee up**

11:10 **Panelist Points of Views and Perspectives on Fundamental Questions**

11:50 **Close Out**



A webinar recording will be made available after the session, follow up e-mail you will receive tomorrow.



Download the presentation **DURING** the Webinar, before it ends!! and request extra handouts after the webinar.



Questions? Scott will review them as they come in and integrate into the dialogue as appropriate and time permits



Follow up questions are welcome and contact information is provided at the end of the presentation.



<https://www.iise.org/details.aspx?id=46729>

And, the Recording and Presentation pdf will be available on IISE's website for IISE members shortly after the webinar date—Training/Webinars/Performance Excellence.



Certificates of attendance are mailed 1 day after the webinar is completed

***Membership Has Privileges!!***

# Thank You to Our Sponsors and Partners



Our Sponsor for  
Today



IIESE Professional Affinity Groups (Partners)





Johanna Ficatier  
Quality Improvement Advisor, Mayo Clinic  
President-Elect, IISE Op Ex Division

## Mission

- To provide its membership with the operational excellence practices body of knowledge, networking opportunity, recognition, and educational programs to stay competitive in the global market.

## Vision

- To be the hub that facilitates knowledge development and sharing in the domain of operational excellence, lean six sigma, and all continuous improvement practices.

Sponsor of the  
Lean Six Sigma & Data Science Conference  
IISE Annual Conference LeanSixSigma Track

## Division Awards

Best Student Paper Competition

Teaching Award

Best Practice Competition

## Connect with us

Division Page:	<a href="https://www.iise.org/details.aspx?id=835">https://www.iise.org/details.aspx?id=835</a>
LinkedIn Group:	<a href="https://www.linkedin.com/groups/4032305/">https://www.linkedin.com/groups/4032305/</a>
IISE Connect:	<a href="https://bit.ly/3l21dV0">https://bit.ly/3l21dV0</a>

## Volunteer Opportunities

- Share your experiences/knowledge through our **Social Media Channels**
- Provide content for **Newsletters**
- Provide case studies and/or technical content for **Webinars**
- Support **Conference Tasks** (IISE Annual & ELSS Conf.)
- Serve on the **Division's Board** (Professional and Student Leadership)



# Our Global Personal and Professional Development Series for IISE Members and Customers.....



## THEMES:

- Enterprise Transformation and OpEx
- Operational Analytics
- Cultures to support Perf Excellence
- Integration of People, Strategy, Process and Technology
- Integrated LeanSigma
- Industry, Service, Healthcare 4.0
- Personal and Professional Learning and Development
- Change Leadership and Management
- Navigating through Turbulent (VUCA) times
- Supply Chain and Logistics Optionality



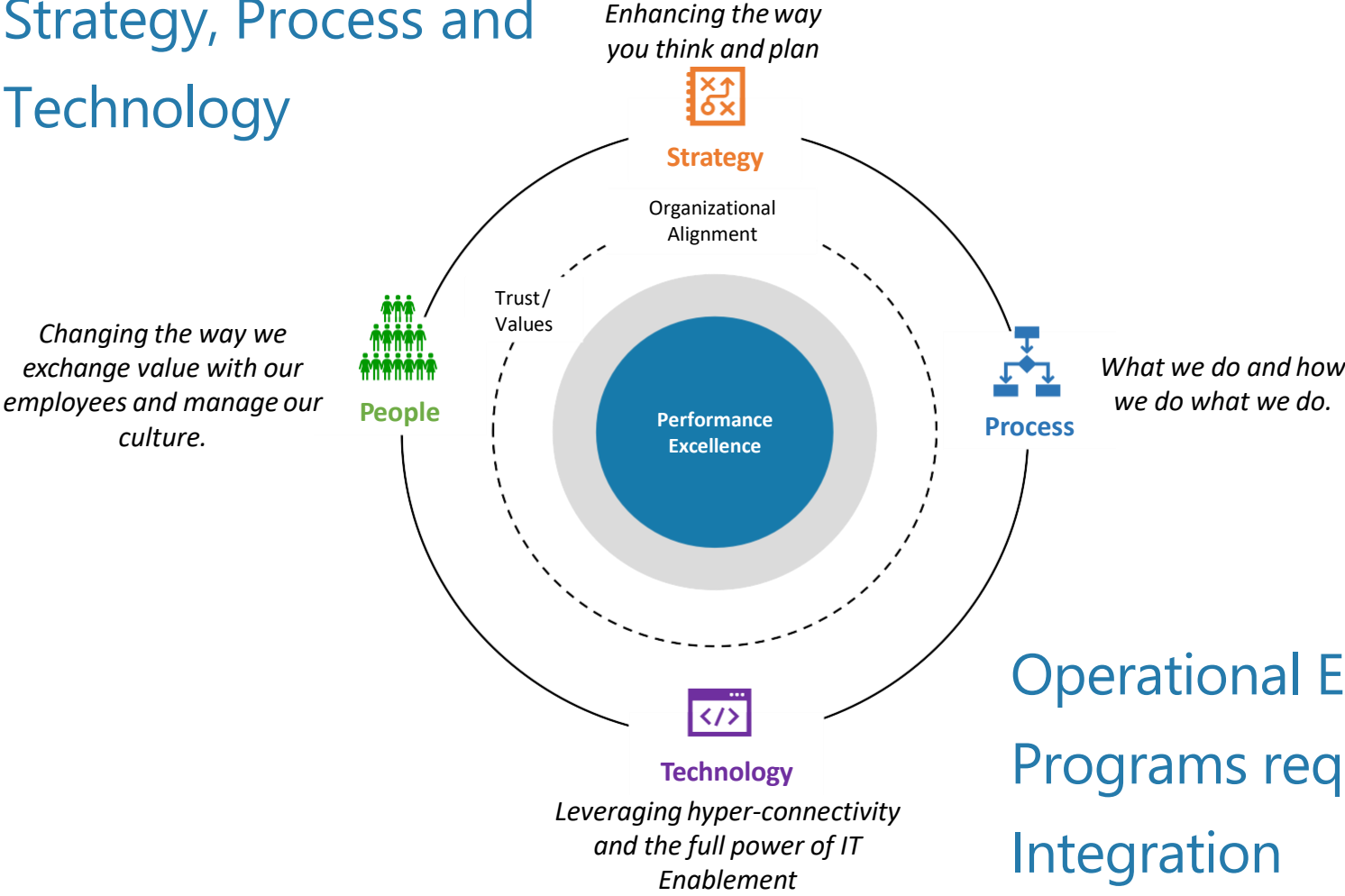
# This Webinar is a Natural Evolution from Recent Global IISE Webinars

- Benchmarking Industry: How to Engineer Performance Excellence
- Pioneering and Engineering a New World
- Creating Cultures that Support Full Potential Performance/Operational Excellence
- How to design and develop and execute Flow Workshops in Healthcare
- Principles for Creating Ideal Behaviors from Employees
- Becoming a Change Master
- Creating and Ensuring Superior Client Experience
- Achieving Full Potential Performance: Managing Transformations in Yourself, Others, in teams and organizations

**This Link gets you to these great Archived Webinars in our Virtual Learning Library**

<https://www.iise.org/details.aspx?id=46729&>

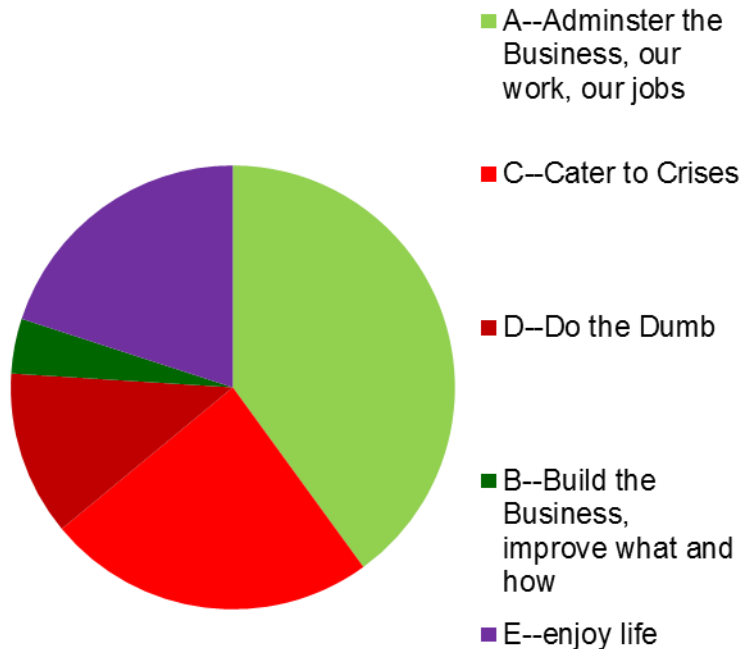
# ISE's Create Value by Integrating People, Strategy, Process and Technology



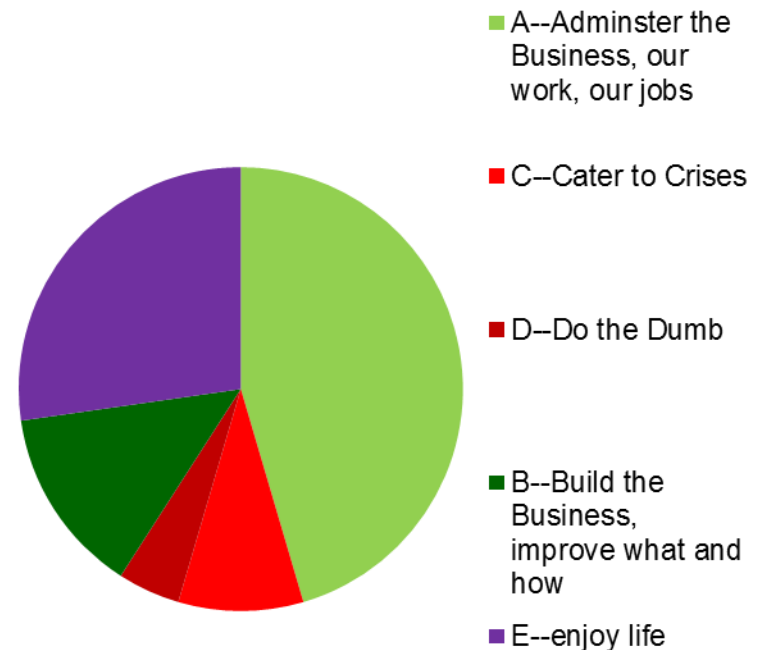
Operational Excellence Programs require this Integration

# Know Thy Time: Time Management and Op Ex

## FROM How we spend our time

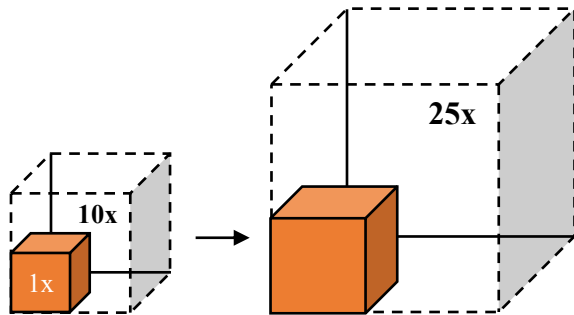


## TO How we spend our time

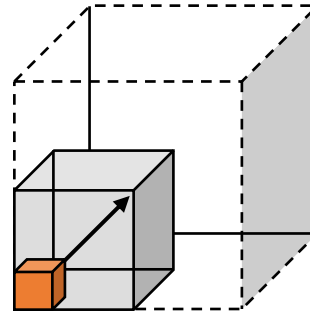


# END GAME: Grow Enterprise Value

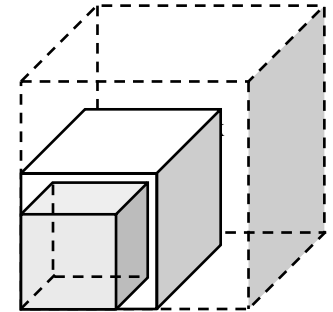
## POSITIONING STRATEGY



## VALUE EXCHANGE OPTIMIZATION



## OPERATIONAL EXCELLENCE



Improve Positioning via..



Geographic Coverage /  
Offerings Provided /  
Served Segments /  
Branding/ Imaging, etc.

Managing the Exchange of Value  
With Stakeholders



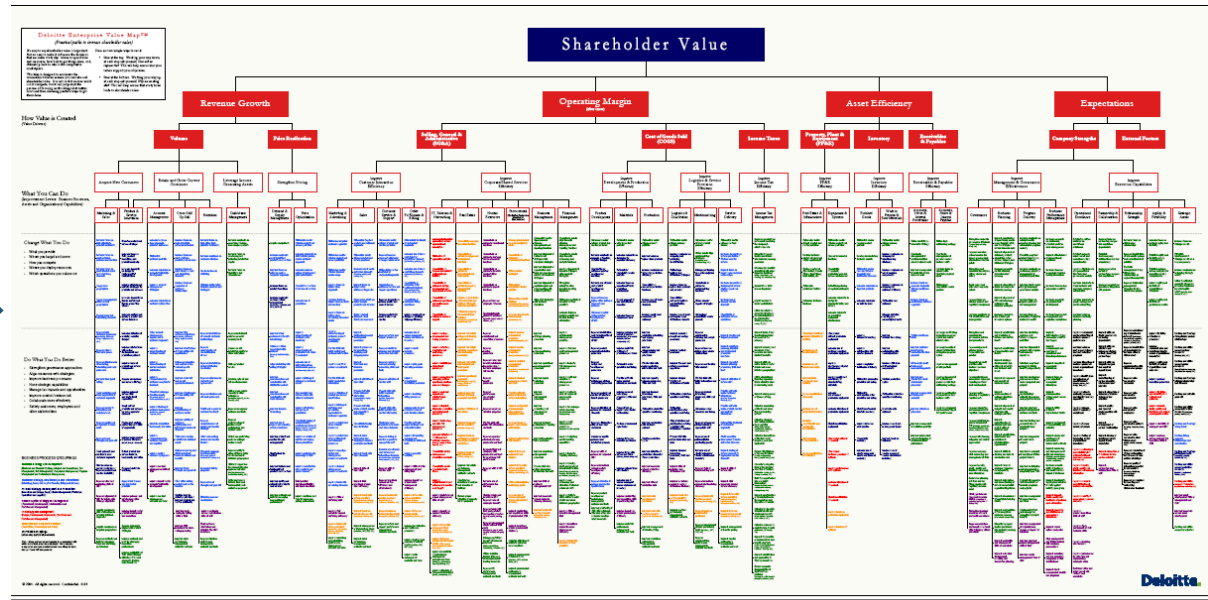
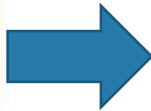
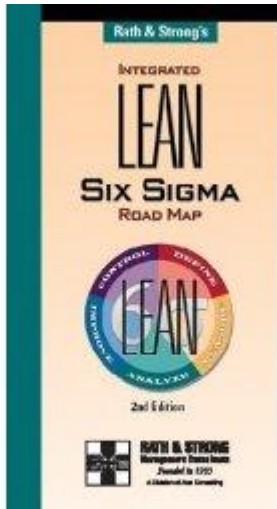
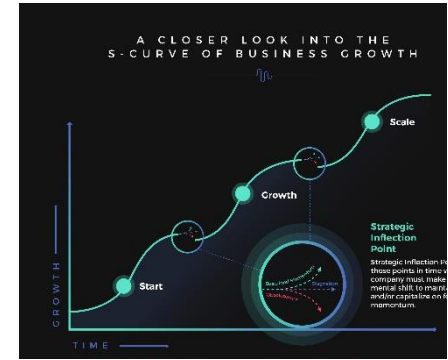
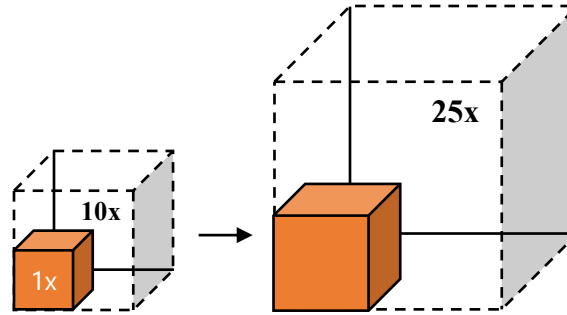
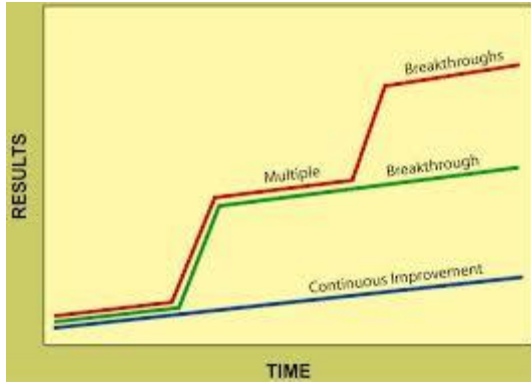
Altering the Give/Get,  
Responding to unmet and  
unfulfilled needs, QFD,  
Innovation, Rebalancing  
Segment  
Investment

Improve Quality, Efficiency,  
Productivity, Innovation,  
Engagement, Quality of Work  
life, Sustainability



Apply principles and methods of  
ISE and ILSS

# How the Pieces fit together



**ISE**  
Integrated Systems Engineering



**Enterprise Value Map**  
Practical paths to increase enterprise value

# Agenda & Panel Questions

11:00 Scott Tee up

11:10 **Panelist Points of Views and Perspectives  
on Fundamental Questions**

11:50 Close Out

Bill Hathaway  
CEO, MoreSteam.com



Extensive experience with broad spectrum of Op Ex Programs. Runs a Best Practice in Op Ex Conference every year (past 15 years)



Deborah Nightingale  
Exec Transformation  
UCF and MIT

Past Director Sociotechnical Systems Research Center and Director of the Lean Advancement Initiative at MIT.

Jim Dobson  
Sr. Mgr, Bus Planning & IE  
Walt Disney Co.



Disney has one of the most 'natural' Op Ex Systems, in my view, and taps into ISE very effectively.



Rupy Sawhney  
University of Tennessee

Dr. Sawhney brings a unique and refreshing people centric Op Ex Point of view to the panel.



Scott built an Op Ex Program from scratch for a Global Life Sciences Program in 2004-2007 and has been involved in many large scale transformations the past 20 years and will use that experience to moderate this dialogue.



Webinars that Matter in Times of Turbulence

2 February 2021

# The Fundamental Questions we will work with (not linearly) today

1. When we use this term, Op Ex, what exactly does it mean in Industry? how is it related to Enterprise Transformation?
2. What's the purpose of Operational Excellence Programs/Initiatives, why do some organizations have structured programs?
3. How has this concept of Op Ex evolved over the past 10+ years and where is it headed?
4. How would someone get started if they did not have an Op Ex type program?
5. What advice would you give to an organization that wanted to become more systematic, more disciplined with Op Ex?
6. How are Op Ex and the work of Jim Collins (Good2Great) related?
7. What are the major opportunities for "Op Ex" type programs, what should the migration strategy be for Op Ex Programs?
8. If someone had one that wasn't working, how would you fix it?

How'd We Do?



## Customer and Member Satisfaction and Feedback Survey

### Benchmarking Operational Excellence



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You can download the deck (handouts)  
You will receive an e-mail tomorrow with link to recording.  
You can go to this IISE link soon and get deck and recording.  
<https://www.iise.org/details.aspx?id=46729>

# IISE MEMBERSHIP HAS PRIVILEGES

## GLOBAL ISE WEBINARS THAT MATTER

### Quarter 1 Webinar Program/Lineup is a WOW!!!

**Feb 16: Operational Analytics: IISE's new Certificate Opportunity for you**

**Registration URL** <https://attendee.gotowebinar.com/register/8785162089172971787>

**Mar 9: Data Sciences Overview—Strategy, People, Process and Technology (AI/ML/Decision Sciences/Benefits Realization)**

**Registration URL** <https://attendee.gotowebinar.com/register/8255002871166158605>

**Mar 18: Using Control Towers to Integrate your Digital Supply Network OR Using Control Towers to Digitize your Supply Chain**

**Registration URL** <https://attendee.gotowebinar.com/register/7872822524972939276>

**April 1: A Big Interview with John Webb—the art of Personal and Professional Mastery**

**Registration URL** <https://attendee.gotowebinar.com/register/5274860167335450892>

# IISE's Annual Conference



Attend our  
Performance  
Excellence Track



Membership Has Privileges—Consider joining IISE?

<https://www.iise.org/Details/?id=560>

# IIESE Virtual Annual Conference(s)



**IIESE ANNUAL**  
CONFERENCE & EXPO 2021  
VIRTUAL CONFERENCE • MAY 22 – 25, 2021

**SUBMIT YOUR ABSTRACTS!**  
DEADLINE: NOV. 29, 2020

[WWW.IIESE.ORG/ANNUAL](http://WWW.IIESE.ORG/ANNUAL)

Present your research & solutions at #IIESEAnnual2021  
Click on image above to submit your abstract by Nov. 29,

- over 850 professionals, academicians, students attended our most recent Virtual Annual Conference.
- We envision over 2000 at next years Virtual Annual IIESE Conference.
- No Travel, lower registration fees, pick and choose live sessions, have access to session recordings and presentations for up to a year!
- Virtual Networking worked great!!
- Can purchase access to our library of sessions from the conference even if you did not get a chance to attend.
- Sampling of Sessions on next slide



## Sampling of Sessions just from the Performance Excellence Track for May 2021

### Industry Best Practices Virtual Benchmarking:

- Healthcare
- ISE Consulting
- ISE in Small and Medium Size Enterprises
- ISE Deployments in Large Enterprises
- Simulation to accelerate Benefits Realization

Industry 4.0, Smart Factories

Operational Analytics

Strategies for Designing and  
Executing Disruptive Innovation

Very difficult to get this kind of compressed learning at the price of registration anywhere, so please consider our upcoming Conference and Track.

# Thank You!

An e-mail tomorrow from Go2Webinar will provide a link to the recording and you can also access the presentation and recording on the IISE website.

<https://www.iise.org/details.aspx?id=46729>



**Contact us for More Info or to provide feedback:**

**For IISE Webinar Sponsorship opportunities Trent Sexton:**

- [tsexton@iise.org](mailto:tsexton@iise.org)

**For IISE Webinar Ideas, Suggestions, Feedback, Requests, Scott Sink:**

- <https://www.linkedin.com/in/dscottsink/>
- [ssink@jumppcurves.com](mailto:ssink@jumppcurves.com)

# Performance Excellence

## Operational Excellence Related

- Benchmarking Industry: How to Engineer Performance Excellence
- Pioneering and Engineering a New World
- Risk Management and Resilience Engineering Strategies for Supply Chains
- Business Continuity Strategies and Tactics in Periods of Major Disruption
- Smart Supply Chains and Industry 4.0
- Restarting the Economy: Guidance on the Backside of the Disruption
- Rapid (AGILE) Deployment and Execution of Integrated Systems Engineering Principles and Methods in Times of Major Disruption
- Creating Cultures that Support Full Potential Performance/Operational Excellence



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## OPERATIONAL EXCELLENCE

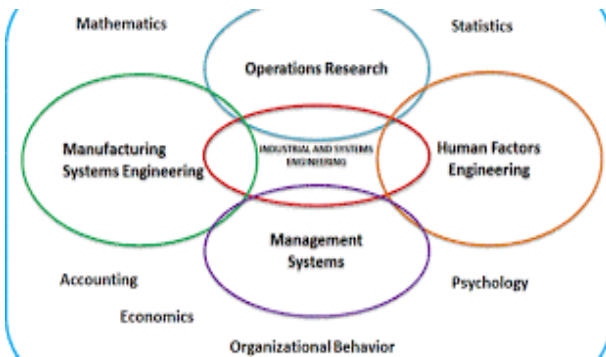
*Do you have it  
and if not, what can  
you do to get it?*

# Lot's of 'Frameworks' out there



# Op Ex represent huge opportunity for ISE's

## IISE Body of Knowledge



How does the ISE Body of Knowledge and Skills translate to the unmet and unfulfilled needs of Organizations wanting to go from Good to Great? Let's explore that....

# Design for the Series of Operational Excellence Webinars (series of 5 at this point)

## Webinar #1: Foundations, Points of View and Perspectives on Op Ex

Introduce the Series

Interview our Thought Leaders on their Points of View and Perspective



## Webinar #2: Committing to do Op Ex 'right'

Top Team Understanding and Alignment

Strategy Workshops

Picking the Right People and train them (Change Agents)

March

## Webinar #3: Rolling out the Initiative

Pick some great projects and hit home runs

Celebrate victories and get the fly-wheel effect going

April

## Webinar #4: Developing the Other "fronts" as you deploy fully

May

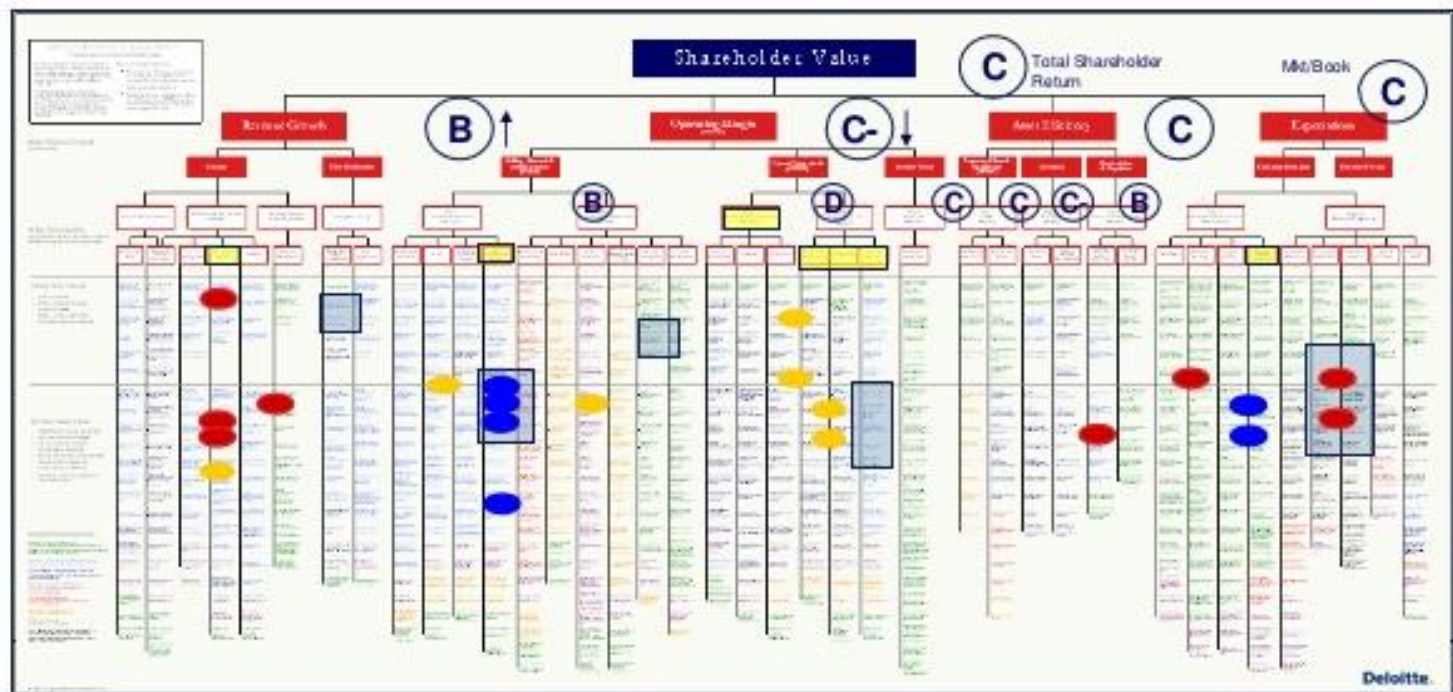
## Webinar #5: Putting it all together—Sustaining Disruptive Innovation

Revisiting the Management Systems Model with Case Examples

June

# Example of how people use this to manage portfolio...

## Identify Projects (cont)



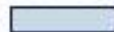
### Relative Financial Performance (X-Year)

- B** = X-Year Financial Performance Relative to Peer Group  
(A = Leading, B = Above Average, C = Average, D = Below Avg.)
- ↑↓ = Improving / Deteriorating Lately

### Strategic Priority



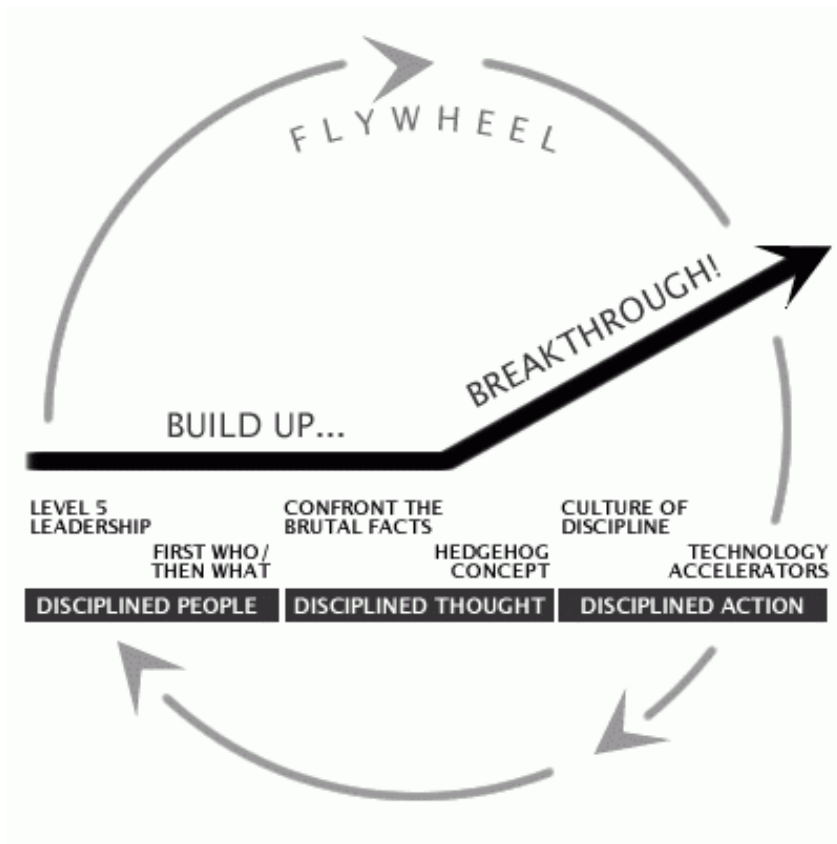
### Key Business Issue



### Program or Project

- = Program/project A
- = Program/project B
- = Program/project C
- = Program/project D

# Examples of very high level guidance to follow



## 8-Step Process for Leading Change



# In almost any organization Op Ex will be interwoven with CxO Strategy and Mental Models for Improvement

## Process

## Outcomes



### Business Performance Reviews

- Weekly EMT teleconferences
- Monthly business reviews
- Disciplined annual plans

- Action oriented decision making
- Tighter accountability
- Customer responsive



### Talent Management

- Biannual talent reviews
- New executive compensation plan

- Better understanding of “A” performers; enriched career path
- Expansion of variable compensation opportunity
- Alignment of shareholder and management incentives



### Customer/ Competition/ Capital

- Business unit/Corporate strategy
- Detailed industry analysis
- Customer value led process

- Longer range growth agenda
- Focused R&D investments
- Capital matched to growth



### Operational Excellence

- Lean Sigma Roadmaps and Toolkit
- Compliance Programs (EHS, Quality, etc.)
- LeanSigma Practitioner Development
- Balanced Improvement Portfolios

- Standard approach across the Enterprise
- Building global quality competitiveness, productivity improvement, process and cost efficiency, compliance and assurance
- Simplify processes
- Customer responsive

# It's helpful to apply the fundamental ILSS thought process on Op Ex Development



**Y (sustainable, best-in-class business results)**

**= f( X (key driver variables) )**

- 2-3% of Total Enterprise Revenues in Hard Benefits Annually
- > \$125,000 in Hard Benefits / Project
- Right Size the process improvement and business process improvement specialist pool over time to build capacity to support the required level of improvement in our business plans and objectives.
- 40% of our employees actively engaged in improvement of what we do and how we do it at any given moment in time

- X1: Leadership & Management Alignment and Commitment
- X2: Pick the right 'belts'
- X3: Best-in-class training and development
- X4: Pick the right projects
- X5: Skillful, disciplined, sustainable execution of LeanSigma Methodology;
- X6: Celebrate successes and use them as a catalyst for even more success
- X7-n.....(e.g. infrastructure, communication front, etc.)

# Most Organizations invest pretty heavily early out with “White Belt” type training to socialize and inculcate the vision and strategy

Program Initialization & Infrastructure

Engage the ‘Right’ People

Pick the Right Projects

Best in Class Training

Discipline around Methodology

Celebrate Successes to get the ‘fly wheel’ spinning



Control Documents

**E- Handbook:**  
*LeanSigma Policies & Guidance*

**EnterpriseTrack:**  
*Program and Project Tracking*

On Time	Due Date	Deliverable Name	Owner	Project Name	Start Date	Current Phase
		Improve Tollgate Review	Romano, Sanofi Ron			
	May/10/2006	Successful Defence of Tollgate	Romano, Sanofi Ron			

On Time	Due Date	Task Name	Owner	Deliverable Name	Project Name
		Improve Tollgate Review	Romano, Sanofi Ron	Design C0 Rational	
	May/10/2006	Successful Defence of Tollgate	Romano, Sanofi Ron	Wave 2 LeanSigma Roadmap	

**Design & Development Team (DDT)**  
*Deployment Leaders representing each Business Unit & Function*

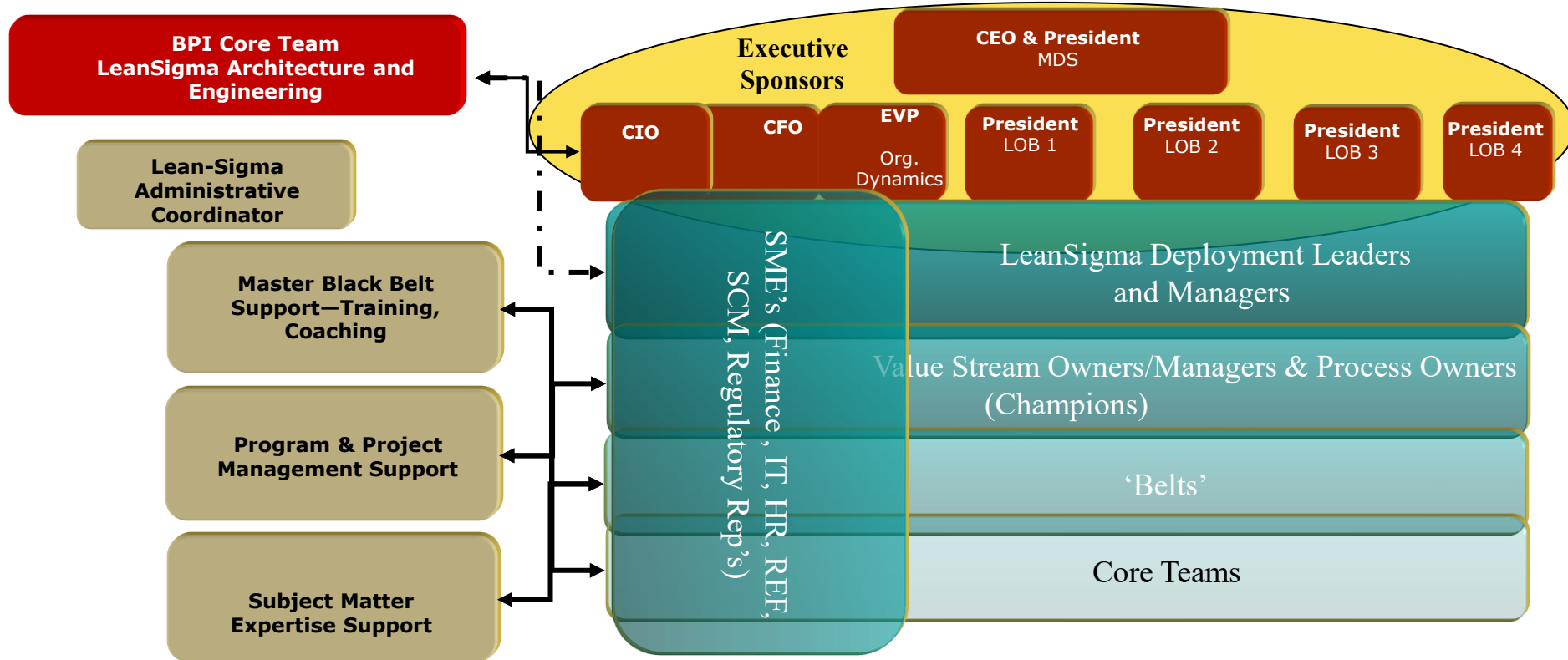
*Lean Pilots Learnings & Results*

01.02.2021

Source External LeanSigma Expertise (BMG and MoreSteam)

Curriculum Foundation

# Leadership Alignment & Support Infrastructure was a Critical Early Factor



01.02.2021

**1) Pick the right belts and 2) surround them with the support requirements they need to be successful.**

# Managing the Fronts over time

## THE STRATEGY AND APPROACH



### Initial State of "B" Efforts

- Isolated Process Improvement Initiatives
- Inconsistency in method and approach
- Lack of alignment
- Low penetration across the business
- Not sustainable (starts and stops)

Purpose and Shared Vision

Design, Strategy, Planning

Learning Org

Measurement

'Technology' Accelerators

Communication

Motivation

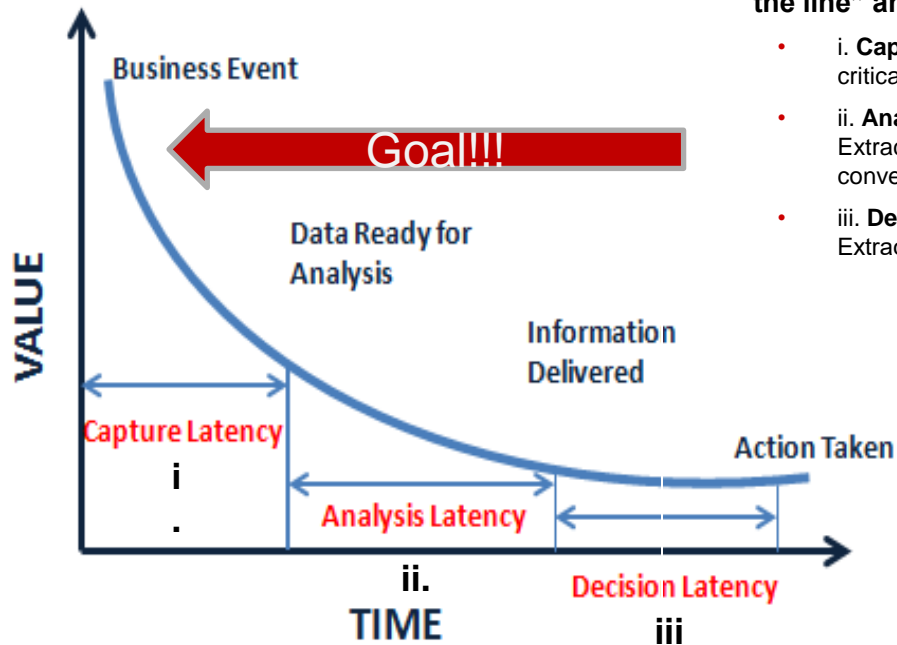
Political/Positioning

### Vision—Future State

*Best-in-class Op Ex Program with Sustainable Productivity and Impact:*

- *x% (of Revenue) in Annual Benefits*
- *Critical mass of seasoned and skilled "B" Specialists*
- *Way of doing business*
- *'Good kind of tired'*
- *Surviving and Thriving, Resilient*

# Operational Analytics Module Selection. 9 Segment Series for Operational Analytics 101 Certification.



- “Driving better and faster organizational decisions through a multi-tiered operational analytics approach. We need to be equipped to play roles “above the line” and “below the line”.
- i. **Capture Latency** - 3 segments, Data Gathering, Data Selection and Storage – Develop critical skills needed to optimize the speed and efficacy of the metrics you obtain.
- ii. **Analysis Latency** – 3 segments, Data Integration, Data Cleansing and Data Feature Extraction (pt. 1) – Leverage techniques to translate all types of data elements and convert into aggregates ready for visualization.
- iii. **Decision Latency** – 3 segments, Data Feature Extraction (pt. 2), Data Knowledge Extraction and Data Visualization. Garner insights by creating “Ah-Ha” moments faster.

