Shop Floor to Top Floor: Create Messages that Influence Different Audiences

Brent Miller, West Monroe Partners
David Poirier, The Poirier Group
Scott Sink, CISE & Chapter #1 IIE
AGENDA

12:00  Scott Kick-off

12:15  Brent with Color Commentary from David

12:50  Close-out Review upcoming Line-up--Scott
ISE and IISE for Life—how IISE supports you for your entire Career…..

Career Ladder vs. Career Lattice

Defined Steps – Moving Up

Multidirectional – In & out of fields

You can get involved in Societies, Divisions and also ‘Affinity Groups’ like Young Professionals, Industry Advisory Board and the Council on Industrial and Systems Engineering.

Another turning point, a fork stuck in the road. Time grabs you by the wrist, directs you where to go. So make the best of this test, and don’t ask why. It’s not a question, but a lesson learned in time. It’s something unpredictable, but in the end it’s right. I hope you had the time of your life.

-Green Day
Webinar Line-up

13 June—Chapter #1 Annual Virtual Meeting

9 July—Operational Analytics: ideas on how to sustain visible measurement systems and the process improvement benefits you’ve worked to achieve (Scott Sink)

13 Aug—Virtual Mentoring: Career Choicepoint learnings, lessons, tips from Senior ISE Leaders (David Poirier, President, The Poirier Group; Ron Romano, Sr. Mgr. Business Process Reengineering, Walmart, Canada; Yves Belanger, VP Supply Chain, Wolseley Canada)

27 Aug—The next 7 Habits of Highly Effective Young (ISE) Professionals (Allen Drown, United Airlines; Michael Beardsley, Law Student, Case Western Reserve; Jagjit Singh, Discover)

10 Sept—Winners Presentations from the IISE Outstanding Capstone Sr. Design Projects from 2018-19 (Georgia Tech/Cisco; Ohio State/Abbott Nutrition; Virginia Tech/Eastman Chemical)

1 Oct—Being Successful as a “Covert” ISE (Sean Gionvese, IE Manager, Lockheed Martin)

12 Nov—ISE and Data and Implementation Sciences (Scott Sink and Ben Amaba, CTO, IBM Manufacturing)

3 Dec—The Art and Science of Selling your Ideas to various stakeholder groups in different situations (e.g. Private Equity supported firms) (Brent Miller, West Monroe Partners & David Poirier, CEO, The Poirier Group and President-Elect IISE)

12 Dec—Sneak Preview of the Performance/Operational Excellence Event of the Year for ISE’s (Kaz Takeda, Disney; Kira Hansen, Harley Davidson; Scott Sink, CISE-IISE)
The Agile Scrum Process for Process and Product Improvement

Process improvement projects whether they are DMADV or DOCDV/SDAV or business process reengineering typically take far longer than business desire or require. This is true for product as well as service process development.

The Industry Practitioner Track Orlando 2019: Sneak Preview

This is a sneak preview of the Performance Excellence Track, which is focused on industry practitioner concerns, May 18-21 at the IIE Annual Conference & Expo in Orlando, Florida.

Becoming a Change Master

Change Masters are those professionals (IEs) who envision what’s possible, are adept at crafting strategies to optimize performance, skillful at managing energy (offshelving/robbing), and capable of mobilizing people and resources to achieve full potential performance.

Smart Supply Chains and Industry 4.0

In this webinar, industry expert and past president of IIE, Jim Templeson will provide a high-level overview of how “Industry and Service 4.0” is impacting how supply chains are managed. This is an opportunity for all IIE’s to work on the T-Model Professional Development; keep broadening your knowledge and understanding of our field.

The Impact of Industry 4.0 on Business Models

On Oct. 11, IIE hosted a webinar that introduced Industry 4.0 and launched a webinar series on this very broad and important subject. This next webinar will examine the impact of Industry 4.0 on business models, more specifically product service systems, servitization, and smart assistance.

Creating and Ensuring Superior Client Experience

During this webinar, the presenter will discuss approaches that organizations can take to ensure superior client interaction, established experience. He will build on his work and presentation in 2012 for IIE that focused on cultural modeling and shaping to support Lean transformation efforts and improved outcomes for organizations.

The ISF Role in Service Systems Engineering: Service 4.0 Overview, Digital Transformation in Healthcare and Enterprise Shared Service Industry 4.0 is a concept that is becoming well socialized and understood. The ISF role in this ongoing transformation are well established. A similar transformation is occurring in service systems. That transformation, which some are calling Service 4.0, is less well understood and for sure the ISF role is much less well-defined. The Service Systems Engineering “Community” in ISF has joined forces with Chapter No. 1 and created a series of webinars that will launch on the Nov 6 and continue into Dec 2019.

Whetting your Appetite (“Aperitivo”): All you Need to Know about Industry 4.0

ISF is a diverse professional society with many young and early career professionals. Our Manufacturing and Design Section has teamed with Chapter No. 1 (Columbia) and the Council on Industrial and Systems Engineering (CISE) to provide a “foundational” webinar on Industry 4.0 and National Network for Manufacturing Innovation (NNMI).

Senior IIE Leaders Share Learnings from Career and Life Choices Points

The Council on Industrial and Systems Engineering is a small group of very senior IIE Leaders that meet twice a year to benchmark and continue to learn and develop. One of the ways CISE serves the profession, institute and our members is to provide periodic webinars where a small group of CISE members share life and career lessons and tips.

Achieving Full Potential Performance: Managing Transformations in Yourself, Others, in Teams and Organizations

This webinar is focused on consolidating a great deal of research, experience and wisdom-sharing literature into practical life-sized chunks, which will help you balance your ISK knowledge and skills with “black boxes,” soft, change leadership, management, and persuasion skills.

Operational Analytics for Integrated LeanSigma Process Improvement Projects Part IV

Part IV of our Operational Analytics Webinar Series will capture the first three parts, bring it all together. We will discuss comprehensive case examples of where the Data Manager Role (Part III) and the Decision Support Analyst Role (Part III) come together in DMADV and DOCDV Type Process Improvement Projects. We’ll have project leaders on the webinar with as a panel type format and will engage the audience in Q&A.

Operational Analytics for Integrated Lean Sigma Process Improvement Projects Part III

Part III of our Operational Analytics Webinar Series focuses on the Decision Support Analyst role. We will review summary parts I and II first, and then zoom in on the art and science of creating powerful visualizations that can accelerate improvement decision making and action taking.

Integrated Lean Sigma Certification: Project Cost Studies

This webinar will share three integrated Lean Sigma process improvement projects that were completed as part of the Certification Capstone in IIE at Ohio State.

Operational Analytics for Integrated Lean Sigma Process Improvement Projects Part II

Part II of our Operational Analytics Series focuses on the data management role of an IIE in a process/performance improvement project. Freidstein will lead by sharing a data modeling process that ensures you have the right data and facts to support sustained process improvement.

Engaging Employees in Operational Excellence: 2-Second Lean Case Studies

Effectively engaging employees in continuous improvement is a goal that most organizations aspiring for improvement want and need. There are many ways to achieve this, Paul Aker has made a 2-Second Lean popular and has provided great guidance on how to pull this off.

Career and Life Choice Points

By member request, CISE offered a webinar on September 12 that focused on this topic presented by Joan Talaya with Intel, Steve Sarace with GM and Scott Sink with CISE. CISE feels that this offering has extended value for our members and so we want to "seamlessly" the model and do three more for CISE members.
The Art and Science of Persuasion: Becoming more effective as an ISE at Creating Successful Change

Webinar Leaders
D. Scott Sink, ISE @ OSU
Bob Gold, CEO Gold Group Enterprises

21 March 2017
Stimulating an AHA Moment makes a person 3-5X more likely to take an immediate action.
The AHA Moment is actually a sudden comprehension that gets someone connected to a key point, shifts a paradigm, causes someone to say—now I get it, converts data into information that is actionable, solves a problem, reinterprets a situation, provokes/catalyzes a decision and action, etc.....
Aha Moments occur when you are able to create Visualizations that spark insights and provoke decisions and actions

- This visual depicts the Operational Analytics Process that happens on your Improvement Projects
- Below the blue line is the foundational data role and above the blue line is the Analyst role

Aha Moments happen when you are able to migrate from 'feature extraction' to 'knowledge extraction' and then the aha moment occurs (or not) with your ultimate visualization.

Brent and Dave are going to provide illustrations and Examples.

When you consciously plan for aha moments in your meetings and presentations you automatically get connections to people you would not have had otherwise.

You get energy management and you increase the likelihood that people will buy what you are selling and support change and improvement

When you don’t get your visuals designed right, that potential Aha Moment just never happens!

It’s called Cognitive Engineering and The Science of Analytics which is ISE stuff!!
1. Aha Moments happen when you put good ideas, simple pragmatic solutions juxtaposition with data and facts (examples of ‘if this, then this’)

2. You help people make connections between things they could do that they aren’t that would make a difference.

3. They see and get the vision, know what’s in it for them to achieve that, call for it, pull for it, and you have shown them a pragmatic way to achieve that, you facilitate (ease the passage of) the path to that vision.
And once you create Aha Moments you have to expand upon them

Once you have created that first aha moment, how to you leverage that into decisions and actions that make things better. You can’t stop with we’ve done a Pilot and it works!!
one relatively simple thing you can do to create believability and to be persuasive is to systematically, consciously, plan for and create Aha Moments in your ‘presentations’ and meetings.

Most people get so caught up in the show and tell aspect of their meetings that they, once again, forget that it’s about the audience, are they getting it, are they connecting to what you are saying and suggesting? DON’T DRAG PEOPLE THROUGH THE MUD!!

- Tell them what you are going to tell them
- Tell them
- Tell them what you told them.

We all can create Aha Moments, it’s not really that hard. Have to understand use cases (audience, purpose, intent, DONE, etc.)

Often it just requires the more conscious design and use of ‘visualizations’ and often the quality of those visualizations will either spark or not spark.

Often visualizations are half baked, people get lazy with them. Use of them can make or break your getting what you want.
Believability Quotient (BQ)

Trust

Credibility

Building Credibility

- Credibility (Earned by communicating)
- Respect (Earned through action)
- Trust (An innate characteristic + Ethics)
Your BQ is going to be based on your ability to ‘pick the right song’ and then sing it well…..

Ultimately it’s about Results. Do you create what you say you will create. In short, the metaphor of ‘singing your song’ is actually a good one.

Watch You Tube and pick video’s where Simon stops them, either gives them or has them pick a different song, they do it and they go from left to right!! That’s the pick the right song. Metaphor is Pick the right strategy to get to DONE on your project.

Then Do you Get to DONE? Are you a Bias for Results Person?

So, to me, the biggest part of Brand, for all of us, and BQ too, is whether I become known as some one who picks the Right DONE, get’s teams to buy into DONE and then get to DONE. That’s the big one for me.
If you’re selling up, then you have different stakeholders and you have to understand c-suite needs.

<table>
<thead>
<tr>
<th>CEO</th>
<th>COO</th>
<th>CFO</th>
<th>CIO</th>
<th>CMO</th>
<th>SVP Sales</th>
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<td>Stock price</td>
<td>Gross margin</td>
<td>Net profit</td>
<td>Business Agility</td>
<td>Brand</td>
<td>Revenue</td>
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<tr>
<td>Revenue and margin growth</td>
<td>Quality</td>
<td>Risk management</td>
<td>Efficiency</td>
<td>Loyalty</td>
<td>Client satisfaction</td>
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<td>Pubic face</td>
<td>Compliance</td>
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<td>Community</td>
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<td>Transparency</td>
<td>Portfolio Mgmt</td>
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<td>Client facing</td>
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<td>M&amp;A</td>
<td>Partner to business units</td>
<td>Bundling of products/services</td>
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<td>Bus. Dev.</td>
<td>Efficiency</td>
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<td>Channel partners</td>
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</tbody>
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Our Webinar Leaders

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Shop Floor to Top Floor: Create Messages that Influence Different Audiences

December 2019
“Sometimes reality is too complex. Stories give it form.”

- Jean Luc Godard
Company ownership is defined based on several factors including management control, voting rights, and share of equity

Publicly Owned
A public company is a company that has sold all or a portion of itself to the public via an initial public offering in order to raise capital.

Privately Owned
In most cases, a private company is owned by the company's founders, management, or a group of private investors.
Privately owned companies generally have fewer vested stakeholders, though the stakeholders themselves can have significant impacts on the business.

Publicly Owned
A public company is a company that has sold all or a portion of itself to the public via an initial public offering in order to raise capital.

Privately Owned
In most cases, a private company is owned by the company’s founders, management, or a group of private investors.
It is important to first understand how private equity works as it is a key factor in how to message to executive stakeholders.

**Management Portfolio**
PE Firms purchase companies to hold, restructure, grow, or complement their existing portfolio companies.

**Exit Strategy**
Once the PE’s investment thesis has been achieved, it will look to exit the investment through sale (to another PE), or through an IPO (also called a recapitalization).

The proceeds from the sale or recap will allow the PE to first repay its limited partners, and then split the profits 80-20, with 20% of gains and a 2% management fee being returned to the fund.

1. The companies are purchased using LP money, co-investments, as well as bank debt.
2. The debt is generally repaid over 2 – 10 years using the company’s cash flow.

**Limited Partners**
- Family Offices
- Pension Funds
- Wealthy Individuals

**General Partners**
- Private Equity Fund Managers

**Bank**
As you climb through the corporate structure, motivations and focus change quickly and messaging must be equally as nimble

**Board of Directors**
- What is our risk exposure?
- How do we protect our expansion strategy?
- Will this impact cash flow?

**Executive Leadership Team (ELT, C-Suite, etc.)**
- What does this mean for our 2020 budget?
- Do our managers have the right skills to manage?
- Can our managers participate in workshops while ‘keeping the lights on?’

**Mid-Level Managers**
- What does this mean for my team’s headcount?
- Will my people adopt the change?
- Will I still be able to meet my targets?
- Am I going to lose my job if the change fails?

**Front Line Personnel**
- How does this affect my paycheck?
- Will this change the way I work?
- What happens if I don’t have the skills for the new job?
Examples of Effective Messaging
Serving complex conditions and an in-home patient population, Company X has experienced rapid growth while focusing on quality, patient outcomes, compliance and reporting.

With the objectives to improve cost, scalability, and patient and employee experience, the company is seeking a partner with a track record in operations & technology improvement combined with expertise working with growing healthcare organizations.

The resulting outcome will be an improvement roadmap that must maintain focus on quality, compliance and profitability.
Our Understanding – The flow of information from Manila, through the Analysts, to the client can be slowed by rework and manual activities

**Situation:**
- ~200 resources in Manila collect and organize data and send to over 200 analysts globally
- Analysts add value to the data to create reports for use with clients, but can spend up to 60% of their time gathering missing information

**Hypothesis:**
- Efficiency gains exist that can be achieved through technology (30%) and process re-engineering / workflow redesign (70%)
## Workstream Risk Assessment (2 of 4)

### Therapy Program

<table>
<thead>
<tr>
<th>Status*</th>
<th>Current % Complete</th>
<th>12/6 Expected % Complete</th>
<th>Barriers to Success</th>
</tr>
</thead>
</table>
| ![Therapy Program Icon](image) | 62% | 75% | - Analysis for required CRS hires has not yet been conducted; lead time to hire roles could impact ability to achieve success  
- Reducing available points for Therapists could cause more self-selection than anticipated  
- If communication and planning is not done appropriately, widespread rumors and panic could arise  
- Any lessons learned in the pilot will need to be turned quickly, otherwise the workstream may need to delay go-live |

### Homecare Homebase

<table>
<thead>
<tr>
<th>Status*</th>
<th>Current % Complete</th>
<th>12/6 Expected % Complete</th>
<th>Barriers to Success</th>
</tr>
</thead>
</table>
| ![Homecare Homebase Icon](image) | 67% | 80% | - Volume of updates could slow progress from the PI team if changes are required later  
- Pilots are being done in Orlando to not interfere with other markets, could overwhelm Orlando |
While VSMs and CJMs are incredibly powerful tools, they are far too detailed to discuss with senior leaders.

**Customer Journey Mapping**
Uses a customer persona to allow you to ‘walk in the customer’s shoes’
Details the actions, interactions, sentiment, painpoints, and verbatim’s from the customer’s point of view.

**Value Stream Mapping**
Outlines the flow of information and material from initial request to fulfillment.

- **Intake**
  - Receive referral, create cover sheet, gather additional information, deliver to Eligibility

- **Eligibility and Data Entry**
  - Set up patient in HCHB, verify eligibility, review diagnosis and entry notes, initiate Face to Face, deliver to medical records and scheduling for start of care

- **Medical Records**
  - Break apart referral and index into different areas of HCHB, review Face to Face, monitor order signing by physicians, physician verification reports
Pre-Design Phase (led by TOD): The objectives of the Pre-Design phase are for the Developer and the MTA to *jointly define a feasible scope of work* that concludes with accepted *Preliminary Engineering (30%) drawings and an executed Legal Agreement*

**New Application/Process:** Digital Platform will streamline and digitize submission process. Scope Committee will be engaged. The Developer will be provided access to a Digital Platform for easy communications and document submission/review/status updates.

**New Step:** Scope Committee will be expanded to include constructability, feasibility and other specialists to ensure that the 30% scope and design documentation is comprehensive and buildable.

**New Step:** “Developer Packet” will include User Guide, Manual, MTA Organization Chart, standards documents, checklists, and all other requirements for successful project execution.

**New Process/Step:** Integration of “Spec/Scope Freeze” language in Agreement with terms for Construction timeline to provide accountability. Change order language will be developed to address potential changes.

**New Step:** Project Kick Off Meeting with Developer where requirements are clearly communicated to the developer and designer of record. Communication protocol established so developer can contact Project Manager and escalate issues to Program CEO if needed.

**New Step:** An application fee, based on project complexity, will be imposed at the scope development phase. This is intended to supplement costs currently carried as overhead.
Conversely, any financial analysis must contain significant detail and match the investment thesis and time horizon.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>CapEx</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
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<tbody>
<tr>
<td>3 IT Strategy</td>
<td>$103K</td>
<td>($52K)</td>
<td>($207K)</td>
<td>($207K)</td>
<td>($207K)</td>
<td>($207K)</td>
<td>($981K)</td>
</tr>
<tr>
<td>4/5 JV Onboarding Team and Playbook</td>
<td>$67K</td>
<td>($101K)</td>
<td>$100K</td>
<td>$634K</td>
<td>$908K</td>
<td>$1.2M</td>
<td>$2.7M</td>
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<tr>
<td>7 Business Rules and Policies</td>
<td>$128K</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>($128K)</td>
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<tr>
<td>8 RVU / Points Evaluation</td>
<td>$120K</td>
<td>-</td>
<td>$902K</td>
<td>$1.1M</td>
<td>$1.3M</td>
<td>$1.5M</td>
<td>$4.7M</td>
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**Strategy Investment Total**: $6.5M

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
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<tbody>
<tr>
<td>2 Admitting Services Reorganization</td>
<td>$337K</td>
<td>$50K</td>
<td>$239K</td>
<td>$284K</td>
<td>$338K</td>
<td>$402K</td>
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<tr>
<td>9 Clinical Review and Quality Redesign</td>
<td>$113K</td>
<td>$797K</td>
<td>$3.8M</td>
<td>$4.5M</td>
<td>$5.4M</td>
<td>$6.4M</td>
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<td>12 Field Management Realignment</td>
<td>-</td>
<td>$2K</td>
<td>$5K</td>
<td>$6.6K</td>
<td>$7K</td>
<td>$8K</td>
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**Organizational Redesign Total**: $21.9M

<table>
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<th>Initiative</th>
<th>Year 1</th>
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<th>Year 3</th>
<th>Year 4</th>
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<th>Total</th>
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<tr>
<td>1 Homecare Homebase Gap Analysis</td>
<td>$213K</td>
<td>($60K)</td>
<td>($120K)</td>
<td>($120K)</td>
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<td>6 Scheduling Optimization &amp; Workforce Mgmt</td>
<td>$473K</td>
<td>$879K</td>
<td>$4.1M</td>
<td>$4.9M</td>
<td>$5.8M</td>
<td>$6.9M</td>
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<tr>
<td>10 Enhanced Technology Platform</td>
<td>$1.3M</td>
<td>$746K</td>
<td>$3.4M</td>
<td>$3.5M</td>
<td>$4.2M</td>
<td>$5.0M</td>
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<td>11 Field Communication Tool</td>
<td>$292K</td>
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<td>($286K)</td>
<td>($681K)</td>
<td>($811K)</td>
<td>($965K)</td>
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**Core Platform Redesign Total**: $37.3M

<table>
<thead>
<tr>
<th>Total¹²</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
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<tbody>
<tr>
<td>($3.3M)</td>
<td>$2.3M</td>
<td>$12.0M</td>
<td>$14.1MM</td>
<td>$17.0MM</td>
<td>$20.4MM</td>
<td>$62.2M</td>
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</tbody>
</table>

NPV: $41.2M

¹ Years 1 – 5 are net benefits, without consideration to capital expense
² All costs and savings are preliminary estimates and subject to change through the design phase
3) Operations Platform

**Description**
Implement an enterprise-wide operations platform to assist in all aspects of program tasks. High level requirements with prioritization are provided below.

<table>
<thead>
<tr>
<th>High Level Requirements</th>
<th>Est. Annual Gross Benefit</th>
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<tbody>
<tr>
<td>Field Tool</td>
<td>$14.6MM</td>
</tr>
<tr>
<td>Online Scheduling</td>
<td>$3.4MM</td>
</tr>
<tr>
<td>Role Based Logon (Client, Contractor, Management, Customer)</td>
<td>$2MM</td>
</tr>
<tr>
<td>National Qualified Product List</td>
<td>$450K</td>
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<tr>
<td>Learning Management System</td>
<td>$251K</td>
</tr>
</tbody>
</table>

**Total Annualized Gross Benefit**

$20.7MM

**Cost Benefit Analysis**
- One Time Investment: $5.0MM
- Annual Operating Expense: $8.8MM
- Annual Gross Benefit: $20.7MM
- 5 Year NPV (@12%): $15.4MM
- 5 Year Benefit/Cost Ratio: 1.71
- Time to Implement: 24 months

**Total Opportunities**
22

**Dependencies**
Online scheduling tool is dependent on CRM implementation, Role Based Log-on is dependent on ERP, and the Product List must be done in conjunction with the field tool.

<table>
<thead>
<tr>
<th>Requirements</th>
<th>Conceptual Design</th>
<th>Detailed Design &amp; Build</th>
<th>Test</th>
<th>Deploy</th>
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<tr>
<td>Field Tool</td>
<td>Q3 Q4</td>
<td>Q1 Q2 Q3 Q4</td>
<td></td>
<td></td>
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<tr>
<td>Online Scheduling</td>
<td></td>
<td>Q1 Q2 Q3 Q4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role-Based Log-on</td>
<td></td>
<td>Q1 Q2 Q3 Q4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product List</td>
<td></td>
<td>Q1 Q2 Q3 Q4</td>
<td></td>
<td></td>
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<tr>
<td>LMS</td>
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Company X lacks adequate management in the field to aid in real-time performance feedback, as well as active career management.

The organization is well above the preferred ratio of 1:1 for layers to spans¹

- Current Layers – 9 (target 7 to 8)
- Current Average Span – 26 (target 15 to 20)

Managerial levels 1 – 5 have a proper cascade of reports, but concern exists entering layers 5 – 7. Spans of 25+ are appropriate for contact centers and functions with repeatable work. In a highly-skilled environment, additional managerial support is needed to ensure quality and coaching.

- 8 Field Administrators and 27 Clinical Managers (Homecare and Hospice) support roughly 1,500 clinicians and aides

By realigning the organization to an average manager to clinician ratio of 15.0, Company X may be able to increase productivity, reduce turnover, and roughly offset the expense of promoting nurses into manager roles².

¹These numbers are significantly impacted by the large numbers of field staff
²ADP data does not reflect adequate alignment; a large number of clinicians appear to report to FAs instead of CMs
³Data provided by HR
### Spans/Layers + Capacity Analysis

**Region: New England**

<table>
<thead>
<tr>
<th>Level</th>
<th>Avg. Span</th>
<th>N*</th>
<th>Without Direct Reports</th>
<th>Total FTEs**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No FTEs</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>No FTEs</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>13.00</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>4.91</td>
<td>11</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>5</td>
<td>4.90</td>
<td>21</td>
<td>31</td>
<td>52</td>
</tr>
<tr>
<td>6</td>
<td>13.67</td>
<td>9</td>
<td>92</td>
<td>101</td>
</tr>
<tr>
<td>7</td>
<td>No FTEs</td>
<td>0</td>
<td>122</td>
<td>122</td>
</tr>
<tr>
<td>8</td>
<td>No FTEs</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>9</td>
<td>No FTEs</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6.98</td>
<td>14%</td>
<td>291</td>
<td></td>
</tr>
</tbody>
</table>

*N = Number of employees who have direct reports

** = 1 Employee has no supervisor assigned

---

**Number of layers each role appears in**

<table>
<thead>
<tr>
<th>Role</th>
<th>Executive</th>
<th>Director</th>
<th>Manager</th>
<th>Supervisor</th>
<th>Analyst</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current State</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Future State</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Greatest of All Regions</td>
<td>1 : 6.98</td>
<td>1 : 6.98</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**Current State FTEs includes Engineering and Marketing employees allocated to the regions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Revenue (14% YOY Growth)</th>
<th>Revenue/FTE (Future)</th>
<th>Current State (Required FTEs)</th>
<th>Future State (Required FTEs)</th>
<th>Net FTE Hires</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$88MM</td>
<td>$271K</td>
<td>324</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>2017</td>
<td>$100M</td>
<td>$262K</td>
<td>369</td>
<td>383</td>
<td>59</td>
</tr>
<tr>
<td>2018</td>
<td>$114MM</td>
<td>$277K</td>
<td>421</td>
<td>412</td>
<td>30</td>
</tr>
<tr>
<td>2019</td>
<td>$130MM</td>
<td>$366K</td>
<td>479</td>
<td>355</td>
<td>0</td>
</tr>
<tr>
<td>2020</td>
<td>$148MM</td>
<td>$401K</td>
<td>547</td>
<td>370</td>
<td>0</td>
</tr>
<tr>
<td>2021</td>
<td>$169MM</td>
<td>$401K</td>
<td>623</td>
<td>422</td>
<td>10</td>
</tr>
</tbody>
</table>
Estimated 48% efficacy gains are possible in administrative functions (scope: 364 employees with a combined annual salary of $19.8M in 2019)

<table>
<thead>
<tr>
<th>2019 Budget Item</th>
<th># Employees (2019)</th>
<th>2019 Budget</th>
<th>2024 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intake and DME</td>
<td>36</td>
<td>$1,451,900</td>
<td>$3,464,000</td>
</tr>
<tr>
<td>Eligibility and Data Entry</td>
<td>31</td>
<td>$1,241,000</td>
<td>$2,961,000</td>
</tr>
<tr>
<td>Medical Records</td>
<td>34</td>
<td>$1,397,800</td>
<td>$3,335,000</td>
</tr>
<tr>
<td>Scheduling</td>
<td>94</td>
<td>$4,015,300</td>
<td>$9,581,000</td>
</tr>
<tr>
<td>ACH and Recertification</td>
<td>6</td>
<td>$1,753,400</td>
<td>$4,184,000</td>
</tr>
<tr>
<td>Corporate CFSS</td>
<td>71</td>
<td>$4,651,400</td>
<td>$11,099,000</td>
</tr>
<tr>
<td>Authorizations</td>
<td>16</td>
<td>$719,500</td>
<td>$1,717,000</td>
</tr>
<tr>
<td>Quality</td>
<td>27</td>
<td>$1,785,700</td>
<td>$4,261,000</td>
</tr>
<tr>
<td>Billing</td>
<td>28</td>
<td>$1,378,000</td>
<td>$3,288,000</td>
</tr>
<tr>
<td>A01 Dedicated</td>
<td>21</td>
<td>$1,417,500</td>
<td>$3,382,000</td>
</tr>
</tbody>
</table>

In-Scope Operating Expense | $19,811,500 | $47,277,000 |
Budgeted Revenue           | $291,000,000 | $692,000,000 |
In-Scope Cost Base (percent of Revenue) | 6.81% | 6.83% |
Improvement Value (net P&L impact) | $9,600,000 | $20,400,000 |
Impact on Cost Base        | ↓ 48.4%     | ↓ 48.2%     |

1. From Finance Department
2. Assumes 19% CAGR
Infographics and posters are a great way to articulate outcomes and value to the organization following executive discussions.
Punch Line


◆ Brilliant Solutions are Important; Elegant Storytelling is Better

◆ ALWAYS include the ‘So What?’ for Every. Single. Message.

◆ All Decisions Must Include:
  ■ Situation
  ■ Consideration
  ■ Recommendation

◆ At the Front Line – Appeal to Emotion; In the Boardroom – Appeal to Pragmatism
Chapter #1
IISE’s First Professional Chapter (1949)
IISE’s First Virtual Chapter (2016)
IISE’s first Alumni Professional Chapter (2019)

IISE Annual Conference
Performance Excellence for ISE Practitioners
Sneak Preview

Info-Session Leaders
D. Scott Sink, The Poirier Group
Kaz Takeda, Disney
Kira Hansen, Harley Davidson

12 Dec 2019
Join Us for IISE Performance Excellence Event of 2020: Sneak Preview

IISE Performance Excellence Event of 2020: Sneak Preview
Join us for a webinar on Dec 12, 2019 at 12:00 PM EST.

IIE’s Counsel on Industrial and Systems Engineering, Industry Advisory Board, and Young Professional Group have created a Track (Collection of invited developmental sessions) on a variety of Performance/Operational Excellence topics for our Annual Conference in New Orleans on the 31st of May and the 1st and 2nd of June.

This Webcast is a rare opportunity for you to get an Early Sneak Preview of our Program. Here is a sample of sessions we’ll “sneak preview” for you:
- Navigating and Successfully Managing Organizational Politics
- Creating Cultures to Support Lean Deployments and Op Ex
- Operational Analytics: Driving Accelerated Benefits Realization
- Mastering Agile to Drive Rapid Results
- Managing Work Life Balance in the Face of 24/7 Hyperconnectivity

Participants who register will receive an invitation to our by invite only Leadership Mixer on Sunday evening, the 31st of May.
Please register for IISE Performance Excellence Event of 2020: Sneak Preview on Dec 12, 2019 12:00 PM EST at:

https://attendee.gotowebinar.com/register/6392854576201944077

After registering, you will receive a confirmation email containing information about joining the webinar.

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**Registration URL**
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**Webinar ID**
559-063-395