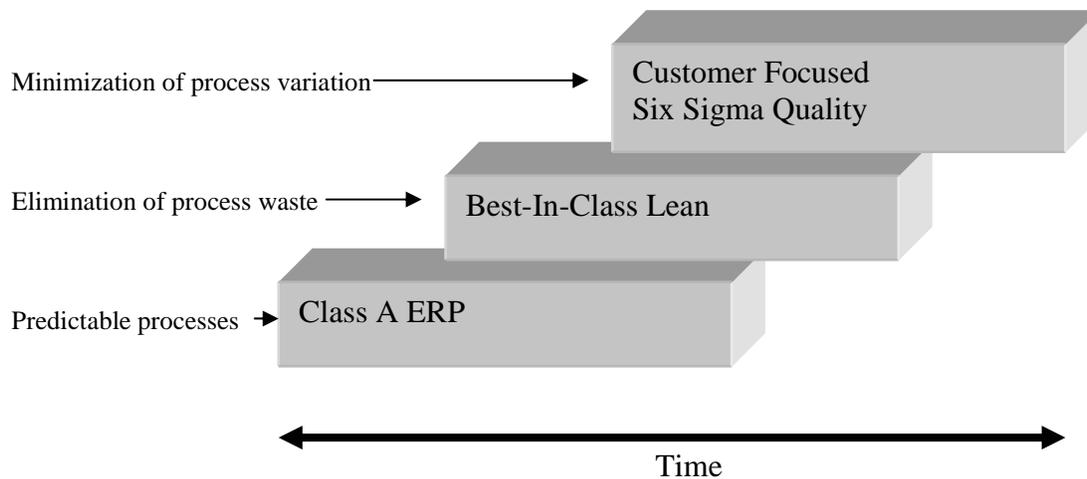# High Performance Operational Assessments

This assessment format is built around the belief from experience that there is an ideal progression for process improvement effort. The most successful companies have a solid base of process capability before diving deeply into lean and Six Sigma. See Figure Below.

Minimization of process variation ——————→ Customer Focused Six Sigma Quality

Elimination of process waste ————→ Best-In-Class Lean

Predictable processes → Class A ERP

←—————————————→
Time

ASSESSMENT SCORING KEY

This is a binary assessment. Each answer must be *YES* or *NO*. Do not spend time debating partial compliance. The objective is to understand opportunity. There are 10 questions in each of the three section. Each is worth 10 points or 100 for each layer of process improvement focus. The scoring and evaluation for each model is as follows:

90 - 100 points =   Top management is actively involved and the business is constantly testing itself for areas of improvement. Likelihood of success in this

business is very good especially if all three areas are in this performance area.

80 - 90 points =   The business does not have full understanding and appreciation for continuous improvement. Pockets of excellence have allowed for sustained success but competitive pressures are an increasing risk.

80 and below =   Opportunity abounds in this organization. Management either has not been engaged enough or does not have solid and clear vision going forward. Ignoring these shortfalls could have severe consequences depending on market pressures.

GENERAL CLASS A ERP ASSESSMENT

1.	The Business Plan has been updated and communicated to the organization. It includes a 3+ year strategic plan and 12 month rolling profit plan by product family. Business imperatives are clear and communicated Project review is a predictable and repeated process internally.

2.	A Demand Plan in dollars and units by product line for 12 rolling months exists. The forecast is updated monthly, performance is measured monthly and accuracy is 90%.

3.	An Operations Plan in units by product line for 12 rolling months exists. The plan is updated monthly, performance is measured monthly and accuracy is 95%. The product families are the same as in the demand and business plans.

4.	A Master Schedule in specific units exists for each production line. Performance is measured weekly and accuracy is 95%.

5.	Data accuracy is measured - Inventory Record Accuracy is measured through daily cycle counts and is 95+% accurate and Bills of Material exists for each product manufactured and are 98+% accurate.

6.	Daily, weekly and monthly management systems are part of the culture of the organizational behavior and are predictable and repeatable quality processes.

Measures are defined, posted and reported for all key process performance areas in the business.

7. New product development is a gated process with and introduction processes are documented and each process mapped. Performance to the gate schedules is reviewed and actions generated regularly.

8. Schedule performance is measured daily and is 95+% on time. This includes MPS, daily line schedules and customer ship to the original promise.

9. Quality is measured either to FTY (first time yield) or FTQ (first time quality) standards and is at a 95+% level of achievement.

10. Safety is a major focus and accidents are constantly improving period over period.

SCORE TOTAL FOR ERP SECTION

Number of *YES* answers _____ x 10 = _____%

GENERAL BEST IN CLASS LEAN ASSESSMENT

1. Business imperatives include lean objectives such as speed, flexibility or waste elimination. Management regularly reviews these projects.

2. All employees have had education and training in lean concepts.

3. Manufacturing is organized by work cells or process flow and utilized pull systems

4. SMED is regularly used to reduce changeovers. Changeovers are being increased in frequency and amount of time spent on these events is decreasing.

5. Both PM quality and schedule adherence are measured and are at 95+% to plan. Measures are posted and reported. Maintenance owns the metrics.

6. Visual controls are used throughout the factory to simplify manufacturing processes. This includes schedule adherence, quality issues and PMs. Misses to goal drive root cause analysis and actions.

7. Lean improvement teams are regularly sponsored by management. All teams receive at least 30 minutes of lean refresher training at the launch of each process improvement team.

8.   5-S is an obvious focus through the organization. Workplace organization and housekeeping are regularly measured and results posted.

9.   Value-stream mapping is regularly done when tackling new improvement projects.

10.   Supplychain linkage is obvious through shared information and expertise and has reduced cost and lead time.

SCORE TOTAL FOR LEAN SECTION

Number of *YES* answers _____   x 10 = _____%

GENERAL CUSTOMER FOCUSED QUALITY ASSESSMENT

1. Quality is a main focus in the business plan demonstrated by objectives

2. All employees have received training and education in quality and/or Six Sigma

3. All employees know their internal and external customers and have clearly defined the voice of their customer

4. Cost of Poor Quality is measured monthly and drives corrective actions

5. There is a company-wide corrective action process in place to track actions in the quality space. Owners are assigned and actions tracked. Adherence to plans are expected and normally met.

6. Documentation Control is in place and reliably disciplined. All business processes are consistently executed in accordance with the documented policy and procedure. An internal audit is done regularly.

7. All quality tools and measuring devices are maintained and regularly checked for accuracy. Frequency is tracked.

8. All employees have been trained and routinely use basic problem solving tools such as 5-why diagramming, fishbone analysis, brain storming, DMAIC, etc..

9. Any employee can stop production when quality defects are found. Management does

not over-ride an employee decision to stop the production process for quality.

10. Management is involved in project management and using tools as prescribed to the

employees. If belts (greenbelt, blackbelt, etc., are utilized for recognition,

management is achieving these as well.

SCORE TOTAL FOR QUALITY SECTION

Number of *YES* answers _____   x 10   = _____%