



Office Care Kaizen Event Results

Team's Mandate

PROCESS NAME: Office Care Form Processing

BLITZ DATES AND LOCATION: 3 Events-Weeks of May 28, June 11 and July 2. HR Training Room.

BLITZ PURPOSE:

- **Decrease lead time, increase throughput, determine future TAKT time, eliminate waste in the process, improve flow of product (forms) and design work cell around flow.**
- **Decrease Transaction Cost.**
- **Combine West, North East and South East regions into ONE PROCESS & ONE CELL.**

PROCESS BOUNDARIES: Office Care. W, NE, and SE regions.

PROCESS SCOPE: System Flow Processing from Receiving Forms to Boxing and Shipping.

MANDATE: Standardize process flow for all three regions.
Standardize work procedures for all three regions.
Standardize cell layout for all three regions.
Design and Implement One Process and One Cell.

Vital Process Change Elements

- Patient Product Agreement Form redesigned
- Rep's must provide clean forms
- JDE System constraints removed
- Item Cross-Reference List utilized
- Out source form count
- Re-program Restock and Billing screens
- 5S Office Care and *SUSTAIN*

Vital Process Change Elements

- Standardize Process and Procedures
- TAKT time established
- Scoreboard installed
- 6 scanners/1 high speed printer
- 1 dedicated fax machine
- Desktop copiers

TAKT Time

# of Forms	Seconds	# of Forms	Seconds
300	90	500	54
325	83	525	52
350	77	550	49
375	72	575	47
400	68	600	45
425	64	625	43
450	60	650	42
		675	40
		700	39

Date: _____

Form Scoreboard

Region **# of forms** **Takt Time** **Back Log** **# of People**

West				
Northeast				
Southeast				
Total				

Current Backlog UN-billable \$\$\$\$

\$195,265

1,699 FORMS



Kaizen Results Summary

Improvement Measurement	Before Kaizen	After Kaizen	Improvement
Lead time	448,234 Secs. - 124.5 Hrs. 44,5670 NVA / 2,564 VA	54,208 Sec. - 15 Hrs. 54,000 NVA / 208 VA	88% 88% NVA / 92% VA
Travel	1,556 Ft.	30 Ft.	98%
Floor space	1,392 Sq. Ft.	600 Sq. Ft.	57%
Transaction Cost	\$14.87	\$10.55	\$4.32
Total Steps VA/NVA	46 Steps 25 VA / 21 NVA	5 Steps 4 VA / 1 NVA	89% 84% VA / 95% NVA
Productivity - Daily Average (Forms)	392	550 (Takt Time)	40%

Office Improvement



Test New Process

Design New Layout

Measures that Count

◆ TIME

- Throughput
- Takt time
- Cycle time
- Lead time
- Distance/space

◆ QUALITY

- Process Capability
- Process Repeatability

◆ INVENTORY

- Turns
- Levels
- Accuracy



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***Lean Eliminates Non-Value Added Activities and Makes Value Added Activities Flow
Six Sigma Reduces Variation Of Value Added Activities***

Improvement Measurement	Before Kaizen	After Kaizen	Concepts & Tools Used	Improvement	Measures That Count
Lead time	124.5 hours	15 hours	Process mapping Cycle time count NVA/VA Analysis 7 Waste Elimination 5 Whys Current Procedures	88%	Throughput TAKT time Cycle time Lead time
Travel	1,556 Ft.	30 Ft.	Spaghetti Diagram Work Flow Analysis Point-of-Use Tools Process Flow Redesign	98%	Distance/space Throughput TAKT time Cycle time Lead time
Floor Space	1,392 Sq. Ft.	600 Sq. Ft.	5S Process U-Shape Cell	57%	Throughput TAKT time Cycle time Lead time Distance/space
Transaction Cost per Form	\$14.87	\$10.55	Form Redesign Scanners Work Procedures Standardized Work Cross Training TAKT Time Visual Management Poka-Yoke Point-of-Use Tools	\$4.32	Throughput Inventory Turns Inventory Levels Inventory Accuracy Process Capability Process Repeatability
Total Steps	46 Steps	5 Steps		89%	
Productivity	392 Daily 1960 Weekly 7840 Monthly	550 Daily 2750 Weekly 11000 Monthly		158 Forms 790 Forms 3160 Forms	

More Potential Revenue

- Roughly 1400 forms processed by all districts per day
- Half of these are \$50 or under (700 forms/day)
- Due to the high cost of transaction and backlog, these were being written off but now can be potentially captured for revenue