# Continuous Improvement Toolkit

## **Benchmarking**

# Managing Risk

PDPC
FMEA
RAID Logs
Fault Tree Analysis
Risk Assessment*
Traffic Light Assessment
Decision Tree

# Deciding & Selecting

Pros and Cons
Importance-Urgency Mapping
Break-even Analysis
Cost -Benefit Analysis
Force Field Analysis
Voting
SWOT
Pugh Matrix
QFD
Matrix Diagram
TPN Analysis
Kano Analysis
Prioritization Matrix
Critical-to Tree
Paired Comparison

# Planning & Project Management*

RACI Matrix
Stakeholders Analysis
PEST
PERT/CPM
Activity Diagram
Roadmaps
Project Charter
Gantt Chart
PDCA
Control Planning
Gap Analysis
Hoshin Kanri
Kaizen
How-How Diagram
Tree Diagram**
Standard work

# Understanding Performance

Lean Measures
KPIs
OEE
Capability Indices
MSA
RTY
Descriptive Statistics
Cost of Quality
Reliability Analysis
Graphical Analysis
Run Charts
Control Charts
Benchmarking
Sampling

# Understanding Cause & Effect

Cause & Effect  Matrix
Pareto Analysis
Confidence Intervals
Probability Distributions
ANOVA
Design of Experiments
Hypothesis Testing
Scatter Plot
Correlation
Regression
5 Whys
Chi-Square Test
Multi-Vari Charts
Relations Mapping*
Fishbone Diagram

# Identifying & Implementing Solutions***

Simulation
TPM
Mistake Proofing
Pull Systems
JIT
Ergonomics
Work Balancing
Automation
Bottleneck Analysis
Visual Management
Flow
5S
Value Analysis
Wastes Analysis
SMED
Time Value Map
Process Redesign

# Creating Ideas**

TRIZ***
Brainstorming
Analogy
SCAMPER***
Nominal Group Technique
Mind Mapping*
Affinity Diagram
Attribute Analysis
Lateral Thinking
Visioning

# Data Collection

Focus groups
Interviews
Photography
Check Sheets
Measles Charts
Surveys
Critical Incident Technique
Observations

# Designing & Analyzing Processes

IDEF0
Value Stream Mapping
SIPOC
Flow Process Chart
Process Mapping
Flowcharting
Service Blueprints

Continuous Improvement Toolkit . www.citoolkit.com

# - Benchmarking

❑ A systematic procedure that measures a company's processes, services, and products against those industry leaders.

❑ Used to better understand how outstanding companies do things.

❑ Focuses on setting quantitative goals for improvement.

❑ This then allows organizations to develop plans on how to make improvements or adapt specific best practices.
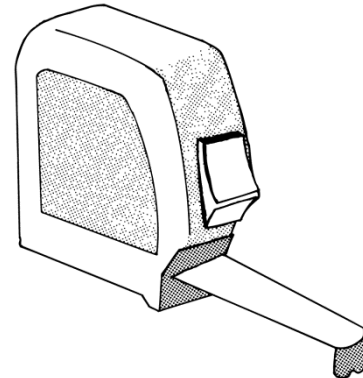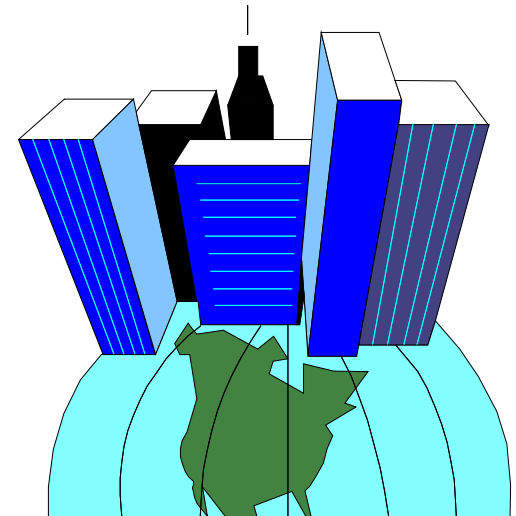
# - Benchmarking

**Benchmarking Types:**

❑ **External benchmarking:**

- Competitive benchmarking: Comparisons with a direct industry competitor.
- Best-in-class benchmarking.
- Strategic benchmarking.
- Operational/Functional benchmarking.
- Process benchmarking.

❑ **Internal benchmarking:**

- Process benchmarking.

# - Benchmarking

**Operational/Functional Benchmarking:**

❑ Compares areas such as administration, customer service, and sales operations with those of outstanding in any industry.

❑ For example, Xerox benchmarked its distribution function against a retailer leader in distribution efficiency and customer service.

❑ Data are often collected by professional associations or consulting firms.

**You Are Here**

# - Benchmarking

**Internal Benchmarking:**

❑ Using an organizational unit with superior performance as the benchmark for other units.

❑ Applied in situations where you are looking for a long-term program of continuous improvement.

❑ The data is the most accessible.
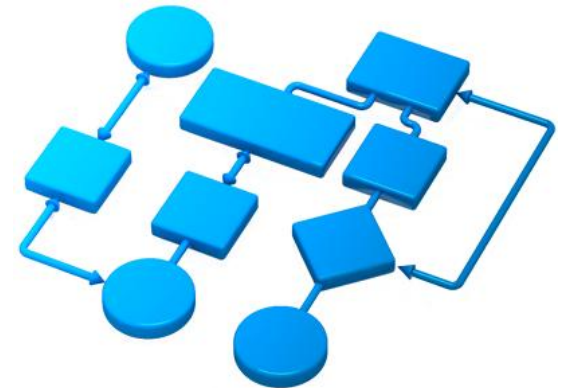
# - Benchmarking

**Best-In-Class Benchmarking:**

❑ Maximum value is usually gained from further afield than your direct competitors or industries.

❑ For example, a car manufacturer that is looking to provide customized cars to order could benchmark with the computer industries for ideas on rapid customization and delivery.
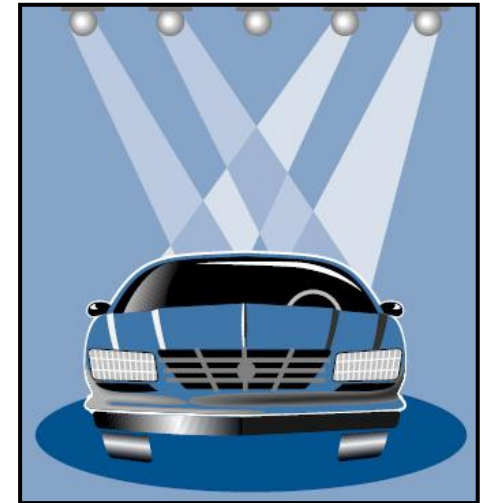
# - Benchmarking

**Approach:**

❑ Identify the process, service, or product to be benchmarked.

❑ Identify data sources and/or potential partners to be used for comparison.

❑ Determine the performance metrics for analysis.

❑ Collect data.

❑ Determine the gaps and identify the causes of significant performance gaps.

❑ Establish goals and obtain the support of managers who must provide the resources for accomplishing the goals.

❑ Implement, monitor progress and communicate.

# - Benchmarking

**Benchmarking Measures:**

❑ Dimensions typically measured are quality, time and cost.

❑ Typical measures used in benchmarking include:

- Customer satisfaction levels.
- Service upsets per customer.
- Customer retention rate.
- Processing time per unit.
- Cost per unit.
- Revenue per unit.
- Return on investment.

# - Benchmarking

**Best Practices:**

❑ Benchmarking involves identifying 'best practices' from other processes and companies.

❑ A best practice is the **best known way** of doing something which has been proved to produce the desired result consistently.

❑ It serve as Models for similar efforts throughout the company (or even across organizations).

❑ **Generally based on:**

  • Company-wide experience.

  • Any benchmarking knowledge.

# - Benchmarking

| Best Practice | |
|---|---|
| **Subject:** | **Originated by:** |
| **Department:** | **Submitted by:** |
| **Area/Process:** | **Submission date:** |
| **Initial Condition** | **Before Photos** |
| | |
| **Solution** | **After Photos** |
| | |
| **Benefits/Results** | |
| | |

# - Benchmarking

**Further Information:**

❑ Collecting benchmarking data can sometimes be a challenge.

❑ There are many organizations who facilitate and provide benchmarking visits and information.

❑ The Internet is a valuable source of benchmarking ideas & data.

❑ Benchmarking is often treated as a continuous process in which organizations continually seek to improve their practices.

❑ It may be carried out collaboratively by groups of companies (e.g. subsidiaries of a multinational in different countries).

❑ Benchmarking is a valuable source for **process redesign**.