



Ian Smart examines the citizen-focused approach to service design, improvement and sustainable change.

Lean systems thinking

Over the past couple of weeks, I have been mulling over the content of this article in preparation for the Managing Strategic Performance conference, being held on March 19, 2009.

Then last week, when I was reading through Jan Berry's *Interim Report on Reducing Bureaucracy in Policing*, on page five, a section titled 'New Ways of Working (Lean Principles)' caught my attention. The section discussed the need for the police service to do things differently and examined Operation QUEST [the Home Office-sponsored programme to improve operational processes in the police service] as an initiative that adopted a form of the 'lean principle' approach.

The linking of QUEST to a lean principle initially took me a little by surprise. Then it occurred to me that this might be a case of what marketing people refer to as 'piggy back marketing' or a 'me too product'. This is when a new product is linked with something already established and successful in the expectation that it will gain credibility by association. If this was the case, I thought it would be a quite natural idea – as don't we all like to be associated with something successful?

Then I began to think, if the police service wants to adopt lean principles, then why not adopt and adapt lean in the same way that central government departments, the National Health Service (NHS) and local government organisations have over the last five years? Why create QUEST in the first place?

I don't know the answer to this question, but it did set me thinking about the needs of the service in the medium- to long-term, because Ms Berry then went on to say about QUEST: "The results, while encouraging, demonstrate business improvement in one area or process at a time. Whether such improvement can be maintained as the process is further rolled out, additional processes added or extra funding and support is removed, has yet to be evaluated or established."

Compare this situation with what we know about the lean approach. Lean, as a way of thinking and ongoing improvement, has been evolving for over 50 years. It has been the single most important development in the area of quality and efficiency improvement to affect both the private and public sector. It is the reason why the cars we drive are both better quality and lower cost than they were five, ten, 20 years ago (do any of you

remember how bad Japanese cars were in the 70s and 80s?). It is the reason why the NHS has been able to reduce waiting lists to the 18-week target. It is the reason why supermarkets such as Tesco can provide us with the right things, in the right place at the right time for a price that we think represents value. I could go on, but I think you will see my point.

What do these sectors have in common? Nothing, except one thing – customers. The lean approach is so successful because it puts the focus of all improvement on the customer, or if you prefer, the citizen.

This – from my perspective – gets to the heart of the issue. So I thought it might be of value to readers to gain a shared understanding of 'lean systems thinking', what it is and how it works, so that you can draw your own conclusions as to whether it offers the UK police service a more sustainable approach to delivering citizen-focused improvement and change.

Let the problem define the solution

Recent financial pressures, starting with Comprehensive Spending Review (CSR 2007) and compounded more recently by a collapse of interest rates and tax revenues, has cemented the need to do more with less, in some cases with considerably less, for many years to come.

Significant cost reduction has now become a reality for many services. We now have what [Professor] John Kotter refers to as a 'burning platform', driving a need to think differently about the future shape and size of police services.

Against this backdrop we have components of reform; citizen focus, neighborhood policing, efficiency and productivity and workforce modernisation.

I think it is fair to conclude that these things combined are likely to result in a quite radical reconfiguration of services, together with a redeployment and reduction in human resource levels. Partnership working and shared resources and services will become more common. Also, that will not be the end of it. Year on year thereafter, there will be a need to make planned, managed and systematic improvements to both quality and efficiency.

However, it would appear that in some cases the service's response is to compartmentalise conceptually, or even departmentalise the components of reform and address them

separately. Is this helpful? Shouldn't there be one overarching strategic focus and relationship between the components?

I can only share with you my experience. For me, the above points to a need to adopt a more strategic, joined-up, programme approach to change, something Her Majesty's Inspectorate of Constabulary (HMIC) thematic inspection on neighbourhood policing and citizen focus highlighted and was then subsequently reported in these pages on December 4, 2008: "HMIC found that the most important factor in determining progress and success is strong strategic leadership supported by comprehensive programmes to shape effective processes and procedures," the report stated.

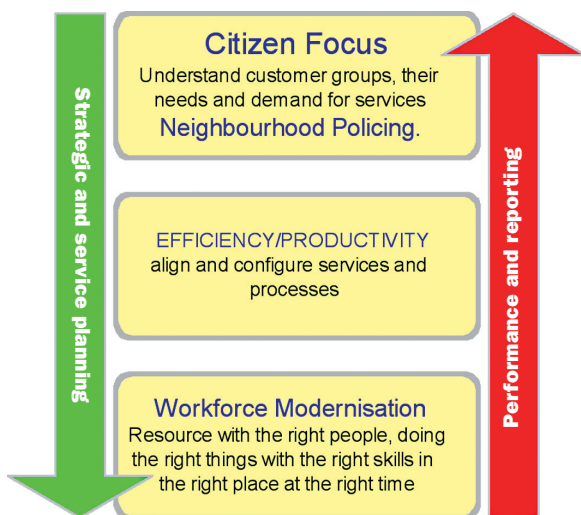
"Too often there is a tendency for different processes or areas of the service to be considered separately, rather than as part of an overall focus on improving the quality and experience of the service for the customer."

To pull off a strategic programme approach, we should first make sense of, and communicate, the components of reform in such a way that everyone can understand and sign up to them.

So how do you make sense of the components and what has it got to do with lean? To answer this question we need to go back to the basics of organisational design and a favourite saying of mine: form follows function.

Form follows function

This means that before deciding how to design or improve services and processes, how they should be staffed, equipped and resourced, you should first be clear about the purpose of the service or the process – the reason it exists.



If this is right, then the customer, their expectations, needs and demands for service, should be placed at the start and at the heart of our thinking and change process. Everything else will flow naturally.

So, to sum this up, citizen focus should drive the alignment and configuration of services and their efficiency/productivity, which in turn should drive workforce modernisation, ie, the right people, doing the right things with the right skills in the right place at the right time. Form following function.

The Home Office appears to be with us on this point. Have a

look at its website, where it states: "A radical change in police approach – it is this simple: the needs and concerns of citizens should always be integral to the way policing is conceived, managed and delivered."

This is not a bolt-on to existing ways of doing business, but something that requires a cultural and operational change. Citizen-focused policing does not only apply to the public-facing parts of the organisation, but to everyone within all forces, at all levels, whatever their function

So why does this point to lean as an approach?

Lean systems thinking

Let us start with the definition of lean: "A philosophy and practice of ongoing identification and elimination of waste in the delivery of customer value, by everyone in the organisation."

Lean is not just a methodology, it is a way of thinking and working. In a lean organisation, the focus of everyone is on meeting customer (internal and external) needs and expectations. To do this, lean organisations design and continually improve services and processes to meet those needs. Non-value-adding waste activity is removed or reduced. This practice is planned, managed and systematic and engenders a culture of 'right first time, every time', where problems and mistakes are seen as opportunities to learn and where root causes of problems are identified and prevented from happening again.

Toyota has been doing this for over 50 years and the result has been that not one of their engines has failed in operation in the last ten years. That is a staggering testimony to what can be achieved by having the ambition to meet customer needs and improve.

What about systems thinking?

In short, everything is interconnected. When looking at a service or process you should take a holistic approach and understand the organisation or service as a system that includes:

- Business processes
- Information and communication technology (ICT)
- Equipment and facilities
- People – management, staff and their organisation
- Performance planning and management arrangements
- Culture

When applied to a lean project this might mean looking at the end-to-end service or 'customer journey' irrespective of departmental or organisational boundaries.

Lean principles

Lean has a robust set of principles that underpin the methodology and drive each project.

Principle one: Specify what creates value from the customer's perspective – Recognise that only the customer can define value (or quality) and that only a small proportion of the activities in any service organisation actually add value for the end customer (typically only five per cent).

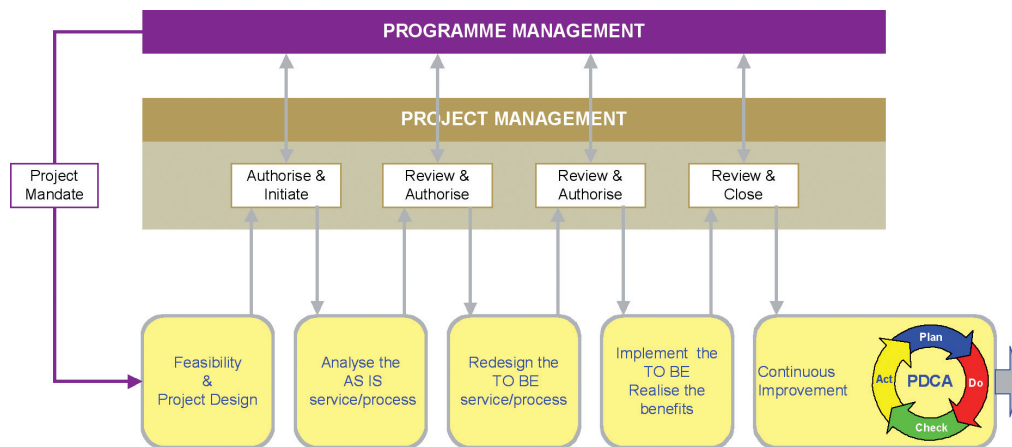
Principle two: Identify all steps across the whole value stream and remove waste – The whole value stream means the end-to-end process irrespective of internal departmental or external organisational boundaries. By clearly defining value from the end customer's perspective, all the non-value-adding activities (waste)

can be identified and removed. Eliminating this waste is the greatest potential source of improvement.

Principle three: Design the new value stream so that those actions that create value and flow – Align all the processes to enable the smooth flow of service, people and information. This will mean removing the obstacles and barriers that slow the process down.

Principle four: Customer demand should pull work through the system – only when it is needed – Strive to deliver service on demand. Remove barriers to prevent this happening. Removing wasted time and effort represents the biggest opportunity for performance improvement. Gains become significant as all the steps link together. As this happens, more and more layers of waste are revealed and the process can move towards a point where every asset and every action adds value for the end customer. In this way, lean thinking represents a path of systematic continuous improvement, which leads us on to...

Principle five: Strive for perfection by continually removing layers of waste – Achieving this state will come through continuous, small, incremental improvements made by staff over time. Staff must recognise problems, eliminate their root causes and seek to remove further layers of waste as it is revealed.



How it works

The lean approach is systematic and scalable. The methodology can be used to deliver rapid improvement to a process using a five-day 'Blitz' technique and service transformation, including shared services, which might take months.

All these projects follow the same clearly defined phases with well proven lean tools and techniques, such as value stream mapping and value add analysis, applied by the project team.

Going lean?

Going fully lean requires an organisational commitment and achieving it can take a long time.

However, the principles and methodology can be applied on an intervention basis for short-term gain, including realisation of significant cashable efficiency savings.

My own experience is that successful lean programmes and projects require:

Leadership – Leaders should show vision, ambition and commitment. Empower the right people to come up with the right solutions. You should set up your projects for success. Hand

pick members of the team, trust them and let them know they have your trust. Earn their trust by doing what you say.

Implementation – I think we all know that plans don't fail for lack of planning, they fail for lack of implementation. To realise the benefits, hold the team to account, remove barriers to implementation and be tenacious.

Maintain the momentum of change – You should measure and communicate results, recognise and celebrate success. Deal with the consequence of non-compliance. Encourage continuous improvements to the process.

Challenge the culture – Install a sense of urgency, lead downwards, champion – show courage and conviction.

Summing up

Lean can be used to drive many levels of change ranging from continuous and process improvement through to service transformation and realisation of significant cashable savings.

Lean's success in both the private and public sector has occurred because it is underpinned by a philosophy and set of principles that puts the customer at the centre of the organisation's thinking on a continual basis.

It is because of these foundations that I believe that lean systems thinking is uniquely placed to provide the UK police service with a sustainable approach to deliver citizen-focused alignment of efficient services, resourced with the right people, doing the right things with the right skills in the right place at the right time.

And finally, I'd like to leave you with a small insight into what this could mean for your organisation.

I know of a chief executive of a large local authority in the north of England who has stood up and painted a clear vision of the future

where all his service heads/managers will be skilled and competent, using lean for service improvement. His view is that the challenges facing his organisation in the long term are such that he cannot afford to have managers unless they can demonstrate this type of leadership capability.

I share his vision of the future and admire his bold first step towards becoming a lean organisation.

Ian Smart is a founding director of Alexander, the management consultancy that specialises in supporting the UK police service in delivering sustainable, citizen-focused change. He is a qualified chartered engineer, working within supply chains of companies such as Toyota and Sony. He has also lectured in higher education on subjects such as total quality management.

The Managing Strategic Performance conference is being held on March 19, 2009, at One Whitehall Place in Westminster, London. For further information on the event please go to: <http://www.alexander-ecc.com/knowledge/events.php>, or to book please call Jodie Bridgewater on 023 80225520.