

# Course Outline

## Lean Thinking for Service Organizations

The purpose of this class is to show participants how to integrate Lean Thinking into a service management initiative and avoid the common pitfalls, costs, and risks associated with a traditional framework, process or maturity level approach.

The class workshops and interactive sessions explain key elements of the Lean Service Management program, and the ten-step method to operate a service management initiative for continuous, targeted improvements.

### Day One: The Management Demand for 'Lean Thinking'

The first day provides a familiarization with the key service management concepts, the challenges of a service provider organization, and the principles of lean thinking. The lessons include:

- ◆ Principles of Service Management
- ◆ Elements of a Service Management System
- ◆ The Service Organization and its Challenges
- ◆ Lessons Learned from Traditional Improvement Programs
- ◆ Principles of Lean Thinking
- ◆ Lean Thinking for Service Organizations

#### Lesson 1: Principles of Service Management

This lesson explores the fundamental concepts and key principles of universal service management.

- ◆ The service industry explosion
- ◆ What is a service?
- ◆ The 'service experience or encounter' (also termed the customer 'moment of truth')
- ◆ What is service management?
- ◆ The role of the service organization
- ◆ Service management areas of expertise
- ◆ The Alignment Models – Enterprise, Customer and Service
- ◆ Respecting three vital service equations, (value, expectation, quality)
- ◆ Golden rules for service management
- ◆ Understanding the customer – Desired Results, Customer Satisfaction

#### Lesson 2: The Service Management System – Based upon the USMBOK

Services require a specialized system and this lesson explores in detail the working elements of a service management system.

- ◆ The Failure of Command and Control Management
- ◆ Introduction to the USMBOK service management framework
- ◆ Elements of a Successful Service Management System:
  - ◆ Business planning & Performance management frameworks

- ◆ Key service management system artifacts, including: Service governance framework, Service planning process, Service fulfillment plan, Service plan, Service portfolio, Service catalog, Service calendar, Service priority scheme, Service portal
- ◆ Service Transaction Engine and the Service Lifecycle
- ◆ The Supporting Lifecycles, including: the Service Requirement Lifecycle, the Service Request lifecycle, the Service Provision lifecycle, the Service Operations Lifecycle, the Operations Governance Framework, the Service Support lifecycle, the Service Revision Lifecycle, the Service Release Lifecycle, the Service Change lifecycle, the Service Performance Framework

#### Lesson 3: The Service Organization and its Challenges

This lesson discusses the key concepts of a service organization, and its more common challenges:

- ◆ The Service Organization and Service Provider concept
- ◆ The Service Encounter (Moments of Truth)
- ◆ The Service Organization's Role Continuum
- ◆ Understanding Your Organization as a System
- ◆ Service Management Knowledge Domains – Roles
- ◆ Service Management Knowledge Areas – Knowledge, Skills and Abilities (KSA)
- ◆ The Service Governance Framework
- ◆ The service provider dilemma and top 10 challenges

#### Lesson 4: The Lessons Learned from Traditional Improvement

##### Programs

This lesson discusses many of the lessons learned and common pitfalls of these two predominant approaches and the extent to which either can lead to sustained success.

- ◆ The traditional response – implement a service management best practice framework
- ◆ The traditional list of pre-requisite artifacts
- ◆ The clues and costs of common pitfalls
- ◆ Lessons learned from the 'process improvement' led approach
- ◆ Misinterpretation and misuse of 'plan-do-check-act'
- ◆ Lessons learned from the 'maturity level' approach
- ◆ The management demand for 'Lean'

#### Lesson 5: Principles of Lean Thinking

This lesson explores Lean in general, Lean Thinking and the key lean concepts to transform management theory into pragmatic, waste elimination, value creating activities.

- ◆ What is Lean and Lean Thinking?
- ◆ Lean Genealogy
- ◆ What makes Lean so special and distinguishes it from other improvement Initiatives?
- ◆ A comparison of 'Plan-Do-Check-Act', 'Six-Sigma', and 'Lean'
- ◆ Lean fundamentals and key concepts

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## Lean Thinking for Service Organizations

### Lesson 6: Lean Thinking for Service Organizations

This lesson discusses how Lean Thinking has been extended by the program to address the needs of the today's business environments, dominated by services.

- ◆ The concepts of Lean Consumption and Lean Provision
- ◆ How services create value
- ◆ How to Conduct a Lean Assessment
- ◆ Service level indicators – andons
- ◆ Dashboards and scorecards (andon boards)
- ◆ Incidents – causes of friction, Genjitsu
- ◆ Service requests – Pull
- ◆ Service encounter – Gemba
- ◆ Service portfolio and service catalog - Gembutsu
- ◆ Vital mission activities – Value Stream
- ◆ Service request workshop – Point Kaizen
- ◆ Controls and control barrier analysis – Poka-yoke
- ◆ The service lifecycle – Flow, Heijunka
- ◆ The Service Management Professional - Sensei

### Day Two: Translating Lean Thinking into Lean Action

The purpose of this day's class activities is to demonstrate how Lean Thinking can be integrated into a service management initiative with dramatic and instant beneficial results.

### Lesson 07: The Lean Service Management Program

This lesson describes the ten steps of the Lean Service Management™ program, and their integration into an existing service management strategy, and includes:

- ◆ Step 1: Establish the Lean Service Office and Foster Lean Thinking
- ◆ Step 2: Formalize, Socialize, Mobilize Lean and select a relevant service management body of knowledge
- ◆ Step 3: Select a Lean Project
  - ❖ Targeting a customer community or line of business
  - ❖ Identifying or hypothesizing common problem areas
  - ❖ Listening to the 'voice of the customer'
    - ▶ Define the value statement and customer expectation
    - ▶ The customer perspective – mapping lean consumption
  - ❖ Establish the 'lean statement' hypothesis
  - ❖ Finding and adding the initial evidence
    - ▶ Requests – the most important aspect
    - ▶ Incidents – a vital source
    - ▶ Problems – statement of impact
    - ▶ Change – an occasional cause
- ◆ Step 4: The Lean Event (Point Kaizen)
  - ❖ Introduction to the 'Lean Event' and 'Point Kaizen' method
  - ❖ Lean Event pre-planning, operation, post analysis
  - ❖ Defining the service request
  - ❖ Mapping to customer results
  - ❖ Managing the phases of the Lean Event
  - ❖ The provider perspective – mapping lean provision

- ❖ Mapping activities to problem areas
- ❖ Determining takt time
- ❖ Value stream costing
- ❖ Making and reconciling observations
- ❖ Classifying identified waste

### ◆ Step 5: Create one or more 'Lean Statements'

- ❖ Just the facts - making the 'Lean Statement'
- ❖ Gemba – moment of truth
- ❖ Genjitsu – actual facts (observed data)
- ❖ Gembutsu – Actual product or service
- ❖ Linking Lean Event observations to lean statements
- ❖ Getting traction - adding the resulting impact
- ❖ The four key impact perspectives
- ❖ Cause analysis, types of causes, methods to discover
- ❖ Task and change analysis
- ❖ Control barrier analysis – 80/20 rule
- ❖ The illusive root cause
- ❖ Defining cause statements

### ◆ Step 6: Translate Lean Statement into an Opportunity Statement

- ❖ Translating lean statements into opportunities for improvement
- ❖ Types of corrective actions
  - ▶ Jidoka – automation, Jishuken – learn by doing
  - ▶ Mistake Proofing, Governance
- ❖ Preparing the solution list
- ❖ Ranking and selecting the solution set
- ❖ Defining benefit statements
- ❖ Drafting action plans
- ❖ Defining the opportunity statement

### ◆ Step 7: Apply and Mistake Proof Improvements

- ❖ Lean Deployment Models
  - ▶ Enterprise (business) transformation - default
  - ▶ Scalable (organization unit driven)
  - ▶ Targeted (Problem-solving)
  - ▶ Grass Roots (Bottom-up)
- ❖ Preparing for change
- ❖ Make the change - applying the Opportunity Statement

### ◆ Step 8: Create and Improve Service 'Flow'

### ◆ Step 9: Enable Customer 'Pull'

### ◆ Step 10: Stabilize and Realize Benefit

### Lesson 08: The Lean Service Organization

This lesson explains the principles behind establishing a Lean-focused culture within the service provider and customer communities, how to express the benefits of the program and its overall 'return on investment', and continuously operate and extend the scope of the Lean Service Office through ongoing promotion of the results achieved and potential issues that can be addressed.

- ◆ The principles of maintaining a Lean Culture
- ◆ Sustaining and selling of the benefits of Lean
- ◆ Running a continuous Lean Promotion
- ◆ Continuous Lean Diffusion

**Course Title:** Lean Service Management™

**Course Focus:** Practical advice on how to apply Lean Thinking to the objectives and challenges of a service management initiative.

**Classroom Duration:** 3 Days

**Version:** 1.01a

**Date of Last Update:** October 20<sup>th</sup>, 2009

### **Course Description:**

Lean Thinking is a management approach and improvement method that was pioneered by James P. Womack and Daniel T. Jones in their book of the same name, squarely focused on the banishment of waste in all service related activities, and the creation of wealth and value for both the service provider and customer communities.

The class is an intense, interactive and information packed experience that explains in detail the principles of Lean Thinking and how to integrate its methods into a pragmatic service management strategy based around a number of repeatable steps. This class can also prepare the candidate for the Certified Lean Service Professional (CLSP) certification examination offered by the Service Management Society (SM-S), an element of its Service Management Qualification Scheme (SMQS)<sup>1</sup>.

### **What You'll Learn in Class:**

From a service management perspective the participant will learn:

- The principles of service management and universally applicable concepts that span information technology (IT) and the business
- The elements of a service management system
- The key roles within a service provider organization
- Lessons learned from traditions process improvement and capability maturity led approaches to service management
- A universally applicable definition of a service, and service management
- How to describe and manage service encounters and the moments of truth they contain
- The four vital service equations, value, expectation, communication and quality
- The elements of a business planning framework
- The seven types of measures in a performance management framework
- Definitions and development approaches for:
  - Service governance framework, service planning process, service fulfillment plan, service plan
  - Service portfolio, service catalog, service calendar, service priority scheme, service portal, service access points, service transaction engine, service requests and request pathways

From a Lean Thinking perspective the participant will learn:

- The origins and genealogy of Lean
- The principles of Lean Thinking and how it applies to service organizations
- The 8 fundamental principles of Lean
- The types of waste or non-valuable items
- Definitions of key Lean concepts used as part of continuous improvement effort

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<sup>1</sup> <https://www.ansica.org/wwwversion2/outside/ALLdirectoryDetails.asp?menuID=2&prgID=201&orgID=240&status=2>

- How to use Lean Thinking and its methods to:
  - Establish a Lean Service (Improvement) Office
  - Approach a Lean assessment of any aspect of your operations
  - Integrate Lean Thinking into an existing service management initiative, specifically the incident, problem and change management practices
  - Identify issues within existing practices and the impact of each issue
  - Define a problem and its impact using the A3 Report concept
  - Relate problems to the interests of stakeholders
  - Select a Lean project
  - Prepare for and conduct a Lean event
  - Map the customer view of service – Lean Consumption
  - Map the provider view of service – Lean Provision
  - Relate problems to the evidence
  - Approach analysis of the cause of problems
  - Define statements of the cause
  - Define solution statements and their associated action plans
  - Translate problems into opportunities for improvement
  - Select and apply correction actions from a Lean perspective
  - Prepare the organization for change – deploy and diffuse
  - Stabilize, realize and ‘bank’ benefits
- How to prepare for, conduct, and report the findings of, a Lean Event (also termed a Point Kaizen)
- How to translate Lean Thinking into Lean Action through use of a 10-step repeatable method
- How to use Lean Thinking to establish and run a self-funding service management initiative

### **Who Needs to Attend:**

- Staff, consultants, or service management professionals interested in programs designed to improve the quality or cost of providing services
- Anyone responsible for the design, implementation or improvement of a service management system, or the roles within a service provider organization
- Any professional interested in how to apply Lean Thinking principles and methods to the challenges of managing as service organization

### **Prerequisites:**

- None

### **Course Outline:**

- Please refer to the separate documentation – LSM Lesson Plan Summary

### **Certification:**

- Optionally available from the Service Management Society™
- 3 hour 150 questions, multiple choice

### **Related Courses**

- USM730-SIM Lean Service Management The Simulation
- USM250-SIM Service Request Management The Simulation
- USM540-SIM Service Incident Management The Simulation
- USM550-SIM Service Problem Management The Simulation
- USM640-SIM Service Configuration Management The Simulation
- USM650-SIM Service Change Management The Simulation
- USM250-102 Service Request Management
- USM540-102 Service Incident Management
- USM550-102 Service Problem Management



- USM640-102 Service Configuration Management
- USM650-102 Service Change Management