

PUBLIC

Rapid Improvement in Waitrose

A case study in kick-starting a continuous improvement culture in a head-office

Overview

Outcomes

- Understanding of the key barriers and supports in implementing an improvement programme in a head-office / shared-service setting
- Example tools and methods used successfully in Waitrose
- The ability to implement an improvement programme that returns results more rapidly and reliably

Dave



- Industrial chemist, IT, management consultancy, Waitrose in supply chain, finance, IT and now retail
- Focus on how better processes can free people from waste and give them more meaningful work

Overview

Precis

- Shared service centre for the John Lewis Partnership
- Implemented a combination of lean/agile techniques
- Used supporting structures of training, support, and measures
- In second year of implementation delivered 6.6% hours reduction and cash savings in addition
- Talk about key learnings
- Conclusion - go slower initially to go faster in implementation
 - Clear senior sponsorship
 - Direction to focus activity
 - Hand-hold and coach locally in detail before setting them free

Context

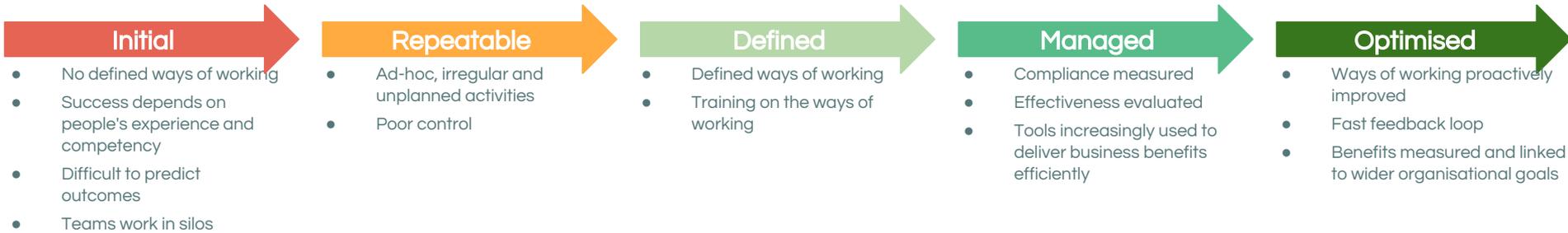


Partnership Services
John Lewis | Waitrose

- Continuous Improvement Function
- Shared service centre - Finance Operations
 - (Accounts Receivable, Cash Management, Financial Control, Fixed Assets, General Ledger, Purchase to Pay, and Payroll)
- Improvement drivers - 5% YoY saving with no capex
- Personal drivers - cultural shift
- Chosen methodology - Lean Six-sigma
 - New LSS implementation
 - Process maturity: defined processes, but no culture of measurement and continuous improvement



Process Maturity



Poll - your current process maturity?

Results

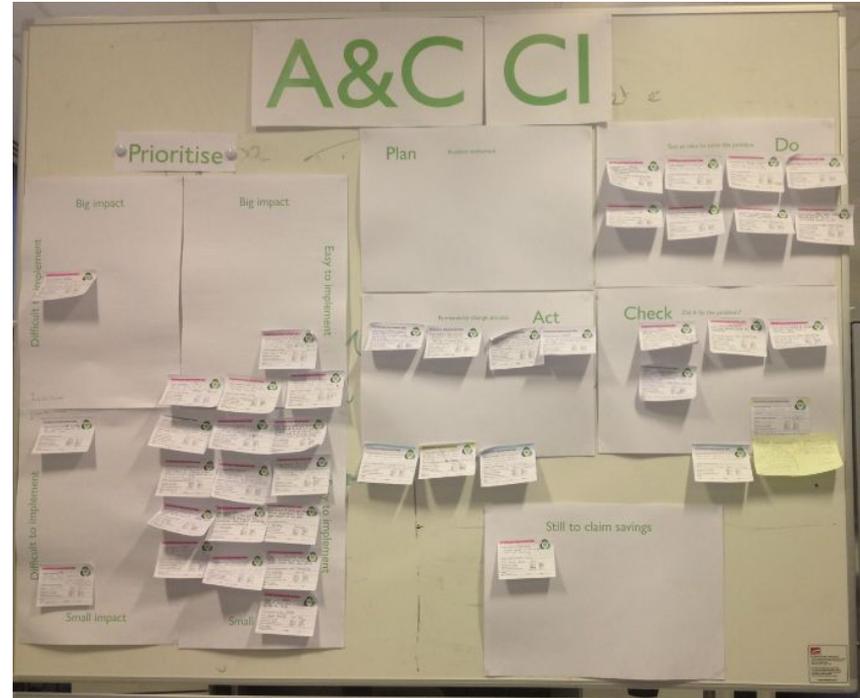
- ~650 / 1100 Partner-generated ideas implemented
- 14,000 hrs savings recorded - ~6.6% of total FTE base
- Engagement increase +15% on benchmark
- No redundancies, no capex

(second year of implementation)



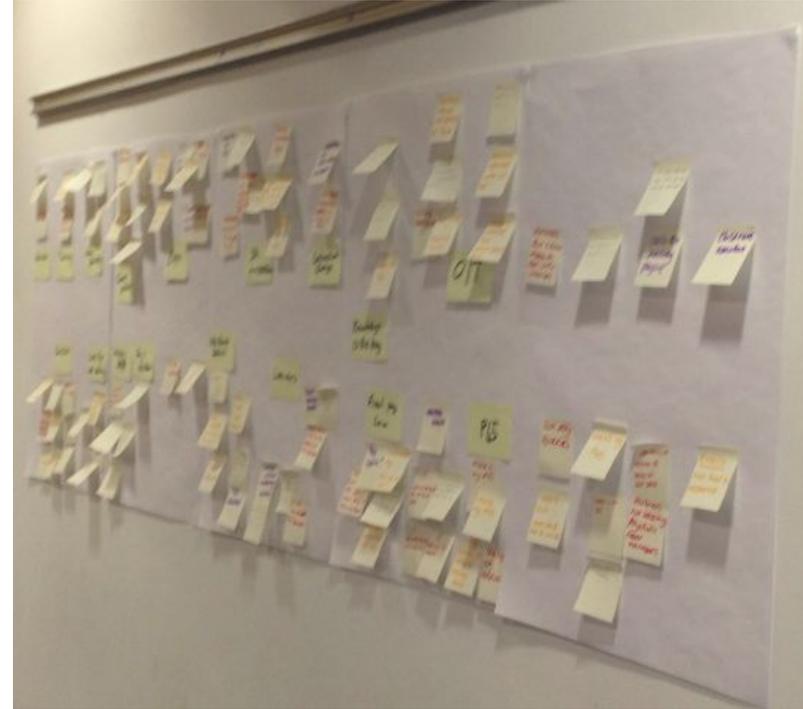
Improvement process

- Use of kanban / visual management
- Plan-Do-Check-Act cycle
- Recording and reporting by hours



Tools

- Outline training - common language
 - Waste elimination
 - TIMWOODS
- Facilitated ideas creation - kick-start
 - Fishbone
- Waste walks
 - Goldfish bowl



Supporting structures

- Champions - local connection
- Coaching - bespoke support
- Improvement maturity - action plans
- Monitoring and visibility - social motivation



		Total ideas	Not yet started	Ideas in flight	Ideas completed	Completed of which # marked signed off
		A		G	G	G
Finance	AR	56	13	7	36	31
	Cash Mgt	56	25	12	19	6
	Fin Ctrl	41	0	5	36	0
	Fixed Assets	54	16	6	32	9
	General Ledger	231	41	42	148	146
	P2P	275	51	33	191	166
	Payroll	229	124	26	79	77

Learnings / Challenges

Middle manager challenge



Demonstrate improvement

Unrecorded activity



Champion questions:

- What have you improve since we last spoke?
- Has anything annoyed you?

Direction / vision

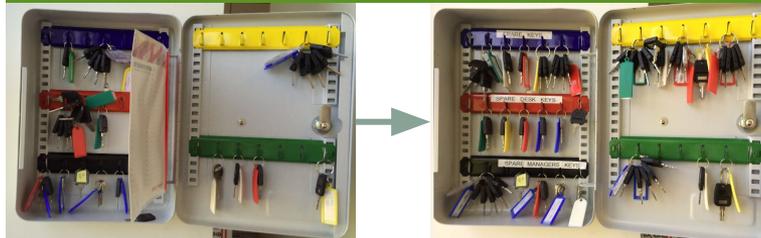


- Two hats
- 5% YoY productivity saving

Confidence in techniques



Direct hand-holding



Hat 1

Execute our day job brilliantly every day.



Hat 2

Step back, look at our processes and find ways to improve our performance everyday.

TWO HATS



Conclusions

Clear senior sponsorship through action

Direction to focus activity

Hand-hold and coach locally in detail before setting them free



Appendix

Improvement Maturity

0	1	2	3	4
Basic	Emerging	Established	Proficient	Mastery
Not aware, or formal action	Aware of CI concepts, ad hoc improvements	Formal deployment in place	Dynamic & adaptable to demand	Our way of life End to end collaboration

Leadership engagement

CI Capability

Strategic alignment

Process management

Customer Value

Flow

Pursuit of perfection

