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VISUAL MANAGEMENT

THE LEAN APPROACH TO PROJECT MANAGEMENT

FUNDACIÓN LABORAL DE LA CONSTRUCCIÓN
ACP Navarra
tipee
centroHabitat Cluster Habitat Sustentável

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Introduction

Students introduce themselves:

Name, job position, background
Why are you interested in this trainning course?

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What do you know about project management? Could you point out some key issues on this subject?

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INDEX

- Introduction
- Lean Management methodology
- How to apply lean to project management
  - The Obeya Room
- Guidelines and recommendations
- Best practice
- Conclusions

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Intoduction

A lean management method

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We can't go on doing the same things

...and expect different results

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Introduction

“We get brilliant results with average people managing brilliant processes… while others often get average (or worse) results from brilliant people managing broken processes ”

(Katsuaki Watanabe, Former Toyota Motor Corporation CEO)

¿What is value?

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Added value refers to every activity that transforms* products and services

=

What customers are willing to pay for

* For better

What is waste?

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Waste refers to all activities that do not create added value to products and services

Waste can emerge anywhere, anytime

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What is lean thinking?

Remove waste

Waste refers to any activity that does not create added value

"What customers are not willing to pay for"

Taiichi Ohno

A tool for reducing waste:

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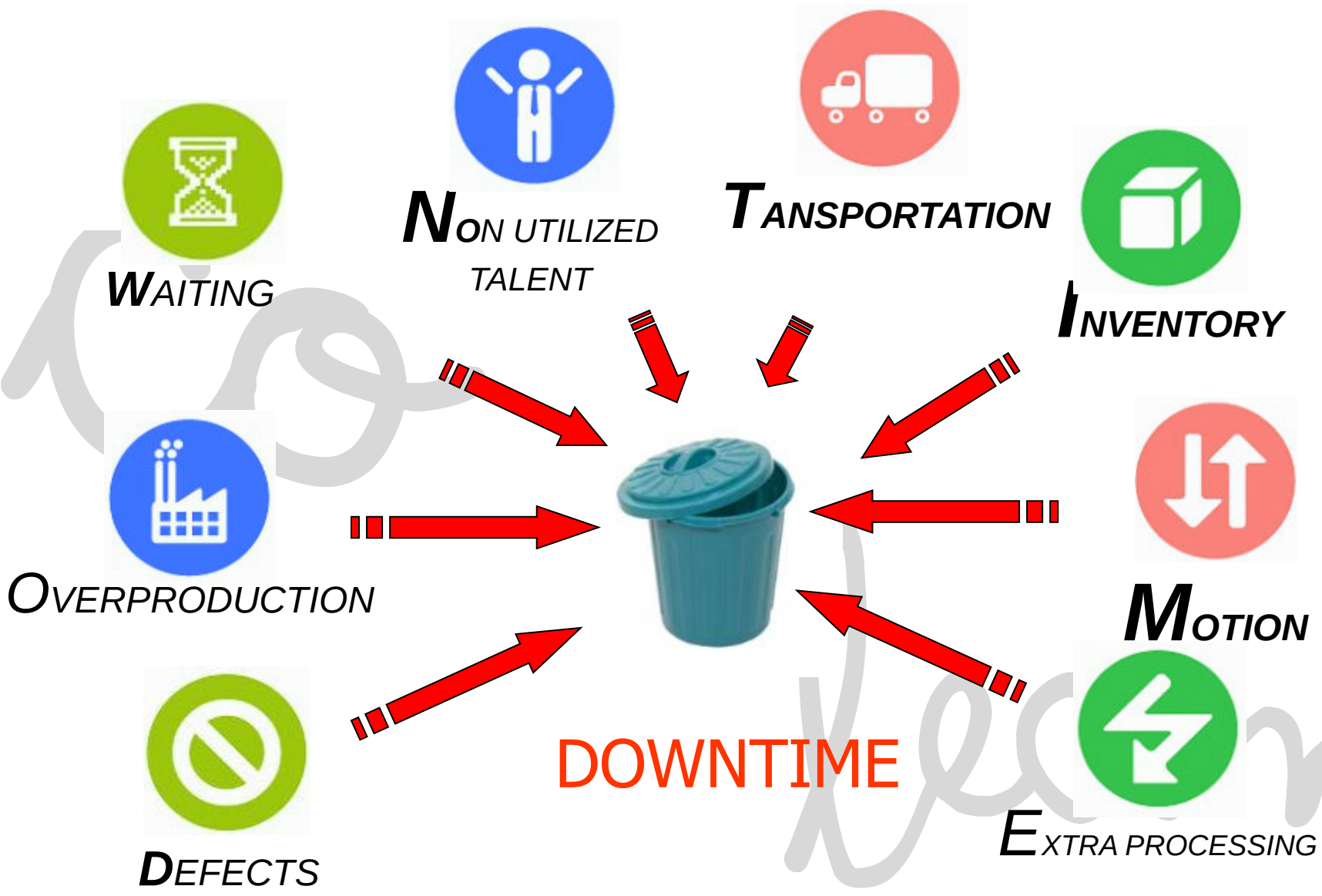

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Competitiviness traditional key performance indicators

- QUALITY
- COST
- DELIVERY
- TIME

Competitiviness universal indicator

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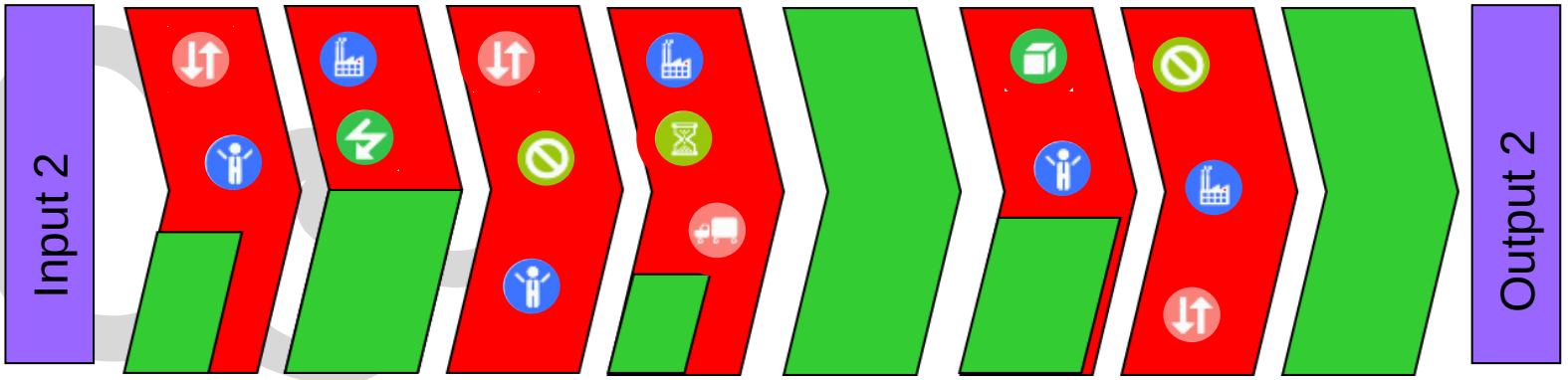
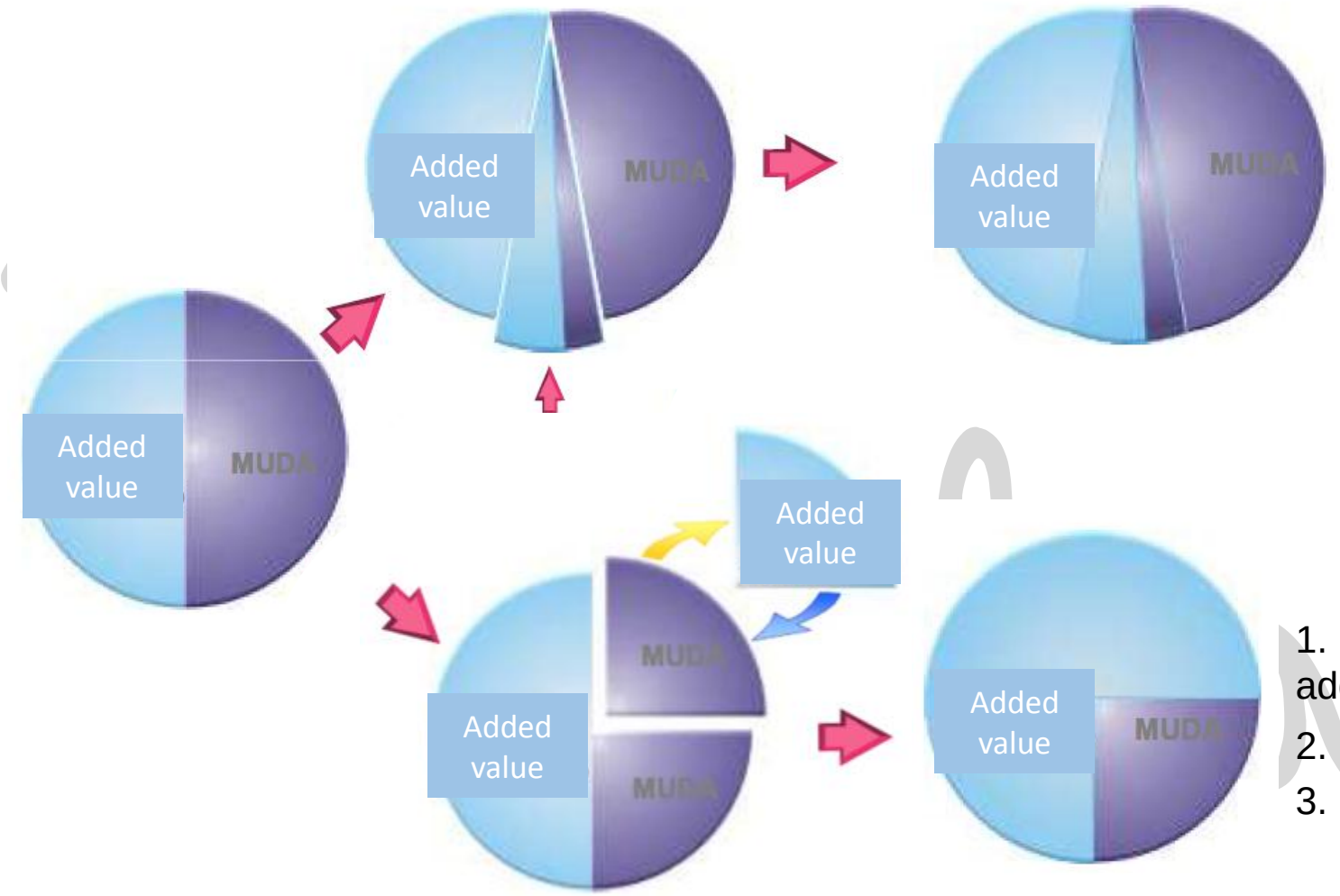
Objective: Removing waste



The first challenge: be able to recognize the existence of numerous inefficiencies in processes (MUDAS)

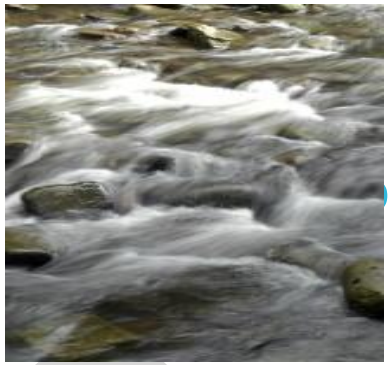
Working efficiently means working less

"MUDA" = WASTE = NON ADDED VALUE



More added value?

1. Identify waste (non added value)
2. Remove waste
3. Increase added value



PRINCIPLES

- *Define value from the standpoint of customers*
- *Identify the value stream for each project /service*
- *Make the value flow quickly towards the customer, removing all sources of waste*
- *Let customers pull value solely from the next upstream activity*
- *Seek perfection in servicies and processes on a permanent basis (creating value)*

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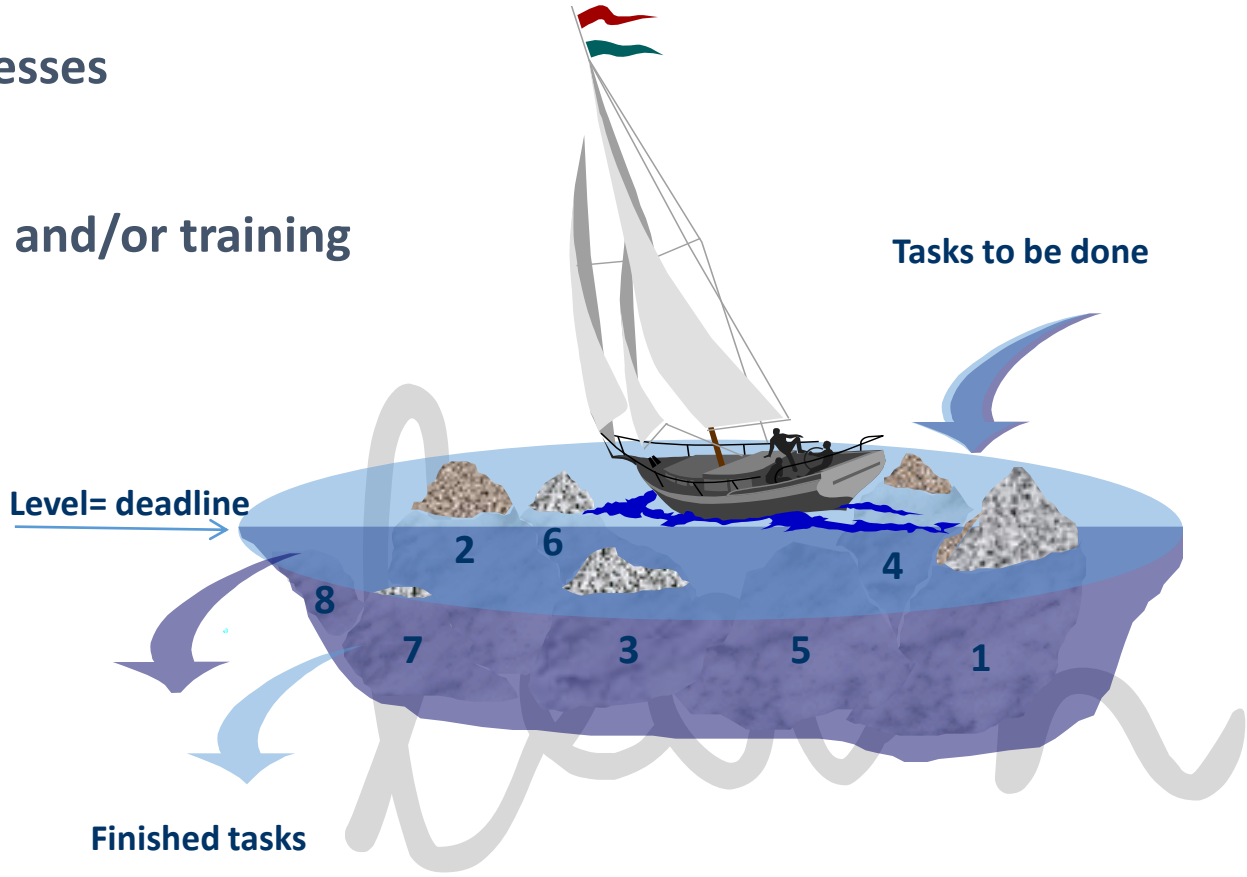
Problems behind deadlines

- Stakeholders' availability
- Suppliers' response time
- Delays in validation processes
- Quality problems
- Poor level of information and/or training
- Communication gaps
- Lack of information
- Transports
- Etc..



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Visual management

Define standard work

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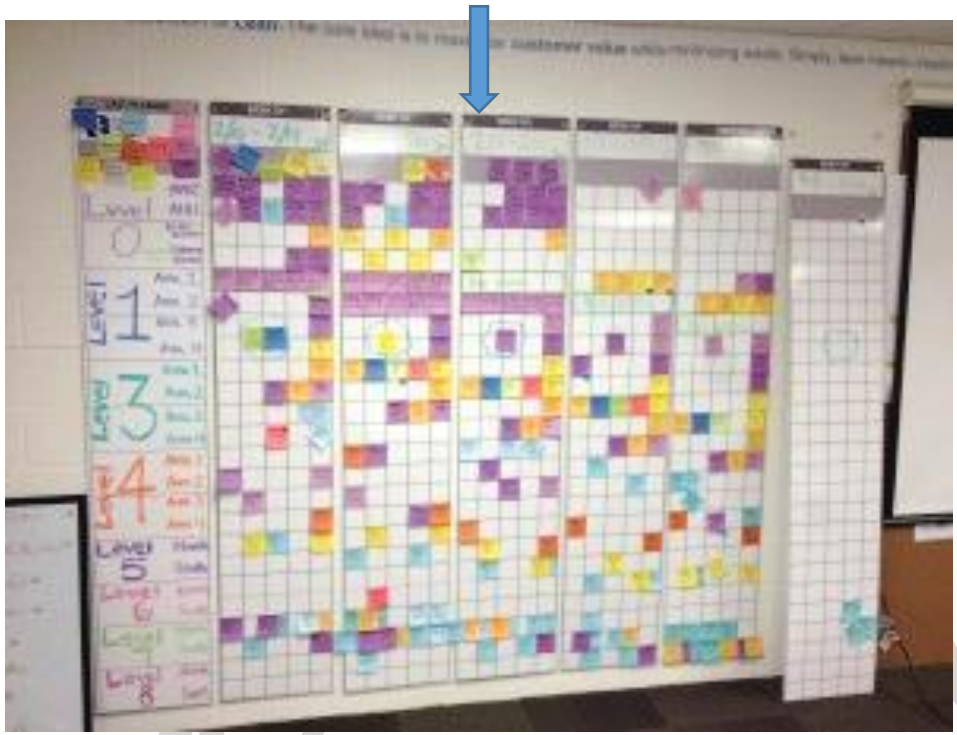
An example on the deployment of a multi-level/service project

- ✓ Display next 3 weeks activity
- ✓ Display past 2 week activity
- ✓ Assign different colors to different competences /resources
- ✓ Plan done by the same staff
- ✓ Staff's commitment
- ✓ Global perspective



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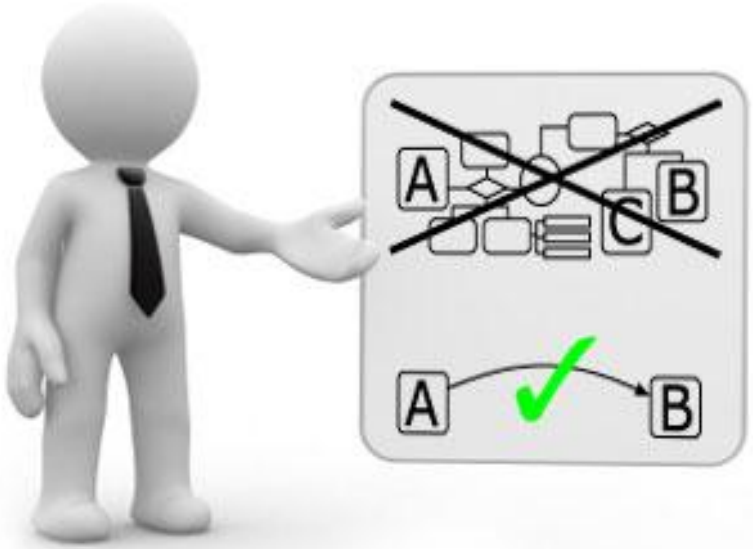
Why should we implement SIM?



A few evidences

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- 1st: PARKINSON's law
  - "Work expands so as to fill the time available for its completion"
- 2nd : MURPHY's law
  - Everything takes longer than you think.
  - Nothing is as easy as it looks.
- 3er : ILLICH's law
  - *After some time, productivity t*ends to decrease
- 4th: CARLSON's law
  - continuous work is more efficient and occurs faster than interrupted work
- 5th : FRAISE's law
  - Una hora no es siempre igual a una hora.
  - When we carry out an activity that we like, time seems to pass faster
- 6th : PARETO's law
  - 80% of the results come from 20% of the activities.

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Do I truly have any good mechanism to assure an effective staff coordination?

- *Have you ever heard any of these comments?*

- **“ Sorry, I can’t do it now, I have a meeting…**
- **“This is not a priority for me, I’ll check when I could do it”**
- **“ Nobody told me about it…”**
- **When was it supposed to be finished?**
- **“Can anyone brief me on this issue?**

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Introduction

SIM delivers the precise **working pace** so organisations can keep up with projects and deadlines

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SIM OBJECTIVE

- SHORT INTERVAL MANAGEMENT system is both a philosophy and a set of tools that it is strongly focussed towards customer satisfaction on an ongoing daily basis
- SIM helps organisations to:
  - Organize its activity according to priorities
  - React quickly to problems
  - Identify new improvement opportunities

SIM involves quick and focussed reviews of performance.

It sets the organisation's working pace

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Competitiveness relies upon people's common effort and knowledge

- *Corporate social policy*
- *A consistent management system that:*

1. 1. Increase employee's responsibility over the process, in particular with regard to **quality** and **flexibility** of demand
2. 2. Encourage **collaboration** and **team working**
3. 3. Facilitate **communications** and the **flow of information** within the organisation

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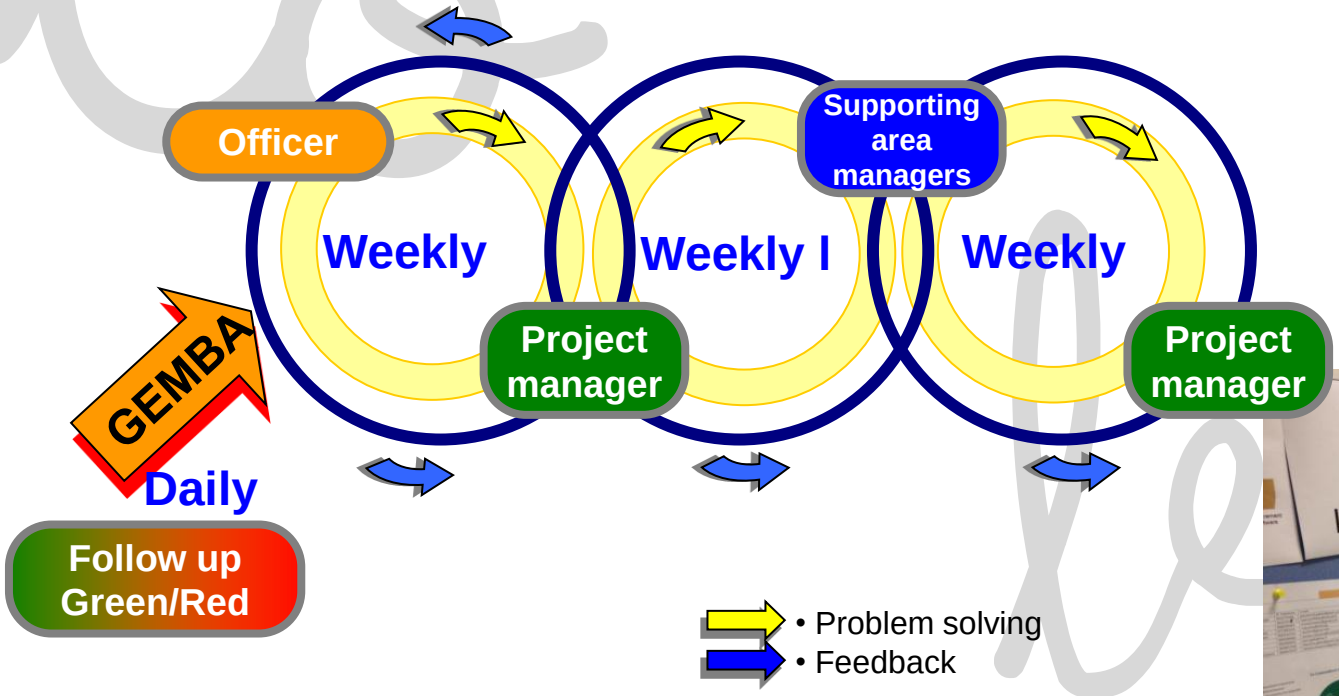
The cycle of events

- **Setting the SIM intervals to properly manage projects**



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What is Short Interval Management SIM?

Key issues:

- A common language : Green/Red
- Shared objectives well known by all and deployed throughout processes and departments
- Short interval performance measuring (eg. hourly in production lines)
- Structured root cause analysis process (rely on data, not impressions)
- Prioritize actions: concentrate on 2 or 3 key problems
- Repeated cycles of identifying, implementing and reviewing actions

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What is Short Interval Management SIM?

- Prioritize actions and obtain a project global perspective at an operational level:
  - Weekly-daily indicators
  - Pareto analysis to identify main root causes
  - Action plan – person in charge and deadline
- Can be combined with Integrated Project Delivery (IPD) and Last Planner System (LPS)

	KPI	Root causes	Short- term action plan
SECURUTY	5S, accidents, incidents	Identified rikc , 5S check list	
CALIDAD	Quality	Pareto chart, root causes	
SERVICE	Delays	Delayed tasks	
EFFICIENCY	PPC,	Detected problems	

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Regarding LAST PLANNER® SYSTEM- LPS

FOUNDATIONS OF LPS ®

1. Collaborative planning process
2. Collaborative working environment: definition of inputs and deliverables collectively
3. The last planner is responsible for his/her work follow-up and monitoring
4. Regular up-to date meetings for real time monitoring on uncompleted tasks

PRINCIPLES OF LPS ®

- Planning includes specific information from LP
- Identification of restrictions and previous requirements beforehand (unblock)
- Participants commitments=> accomplish tasks
- CCP measure and systematic root cause analysis (QRQC, 8D, etc)

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Regarding LAST PLANNER® SYSTEM- LPS

7.1.4 Étapes du LPS® => **L**ast **P**lanner ® **S**ystem

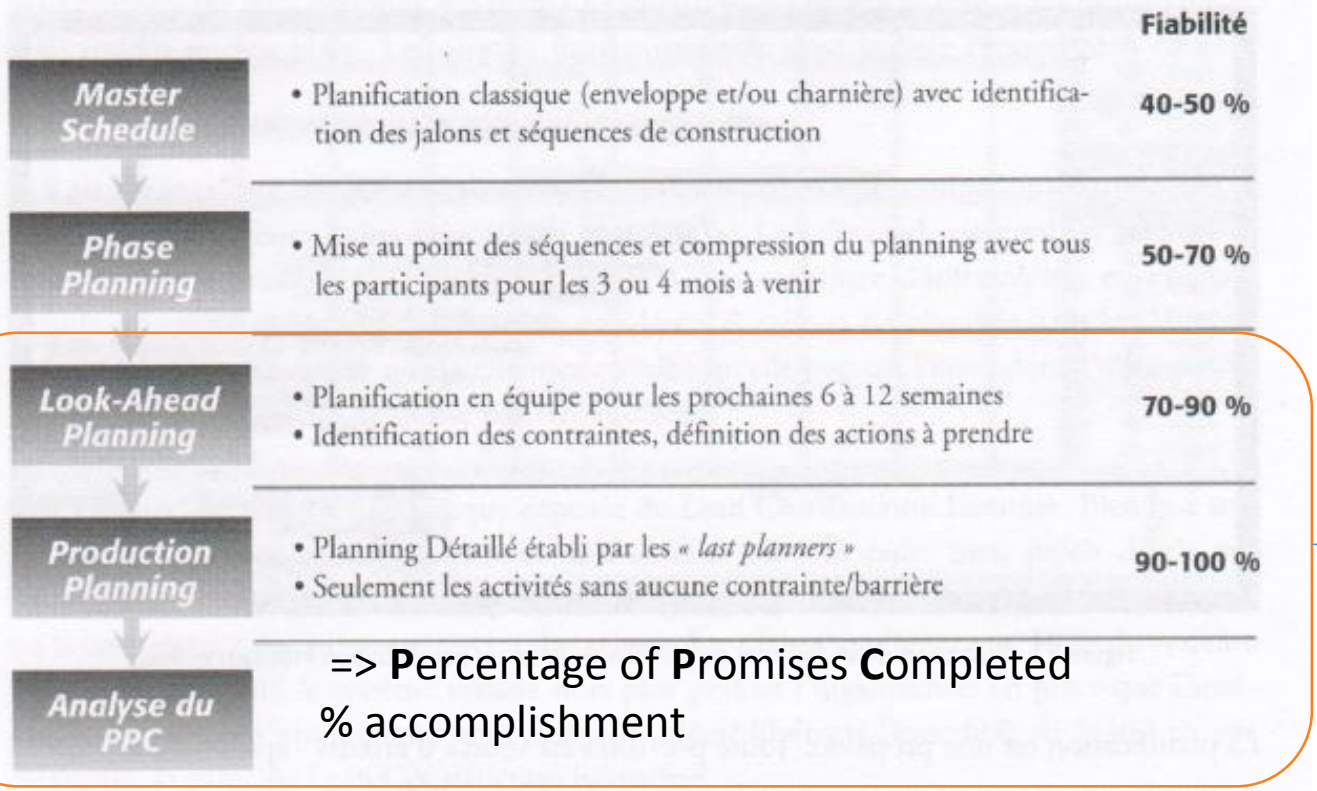

Figure 7.2 Les grandes étapes du Last Planner® System.

Operational action scope : weekly or daily, according to the level

Extrait livre lean construction: Eyrolles

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OBEYA ROOM

大部屋

Obeya

Large room
or
war room

Four physical walls to remove our minds spiritual walls

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What is the Obeya Room?

- Obeya is the Japanese word for “large room”. It is a key lean method for visual project management.
- The Obeya room is a place for intensive collaboration with its own working “routines”
- Information is displayed on boards and accessible for team members to revise it at regular and brief meetings.
- It is also a simple and effective tool to address challenge

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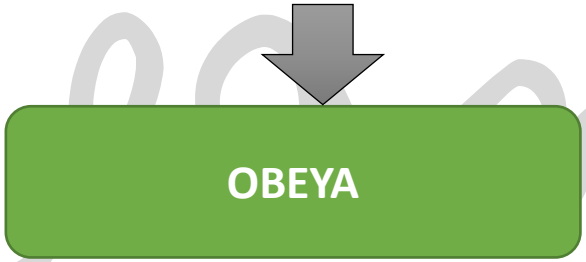
Project management know-how

- ✓ Organise
- ✓ Plan
- ✓ Verify
- ✓ monitor
- ✓ Synchronize
- ✓ Verify/ Validate

- ✓ Meet changing customer's needs
- ✓ Overcome unexpected situations
- ✓ Handle shifting alliances
- ✓ Manage emotions
- ✓ Fulfill coommitments

Ideal world?

Real life



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Managing the Obeya Room

- Obeya = project follow up and management
- Access to visual and simple information on the project goals and risks displayed on wall boards
- Dynamic information boards to monitor risks, short-term plannning, to do list, etc.

~~DATA~~ ⇔ INFORMATION

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Managing the Obeya Room

- Adopt your own working “routines” along with the team: eg. weekly or daily meetings
- Define short cycles for problem-solving or continuous improvement
- These guidelines tend to avoid delays, cost deviations
- Obeya is a great tool for team making by encouraging mutual collaboration and learning

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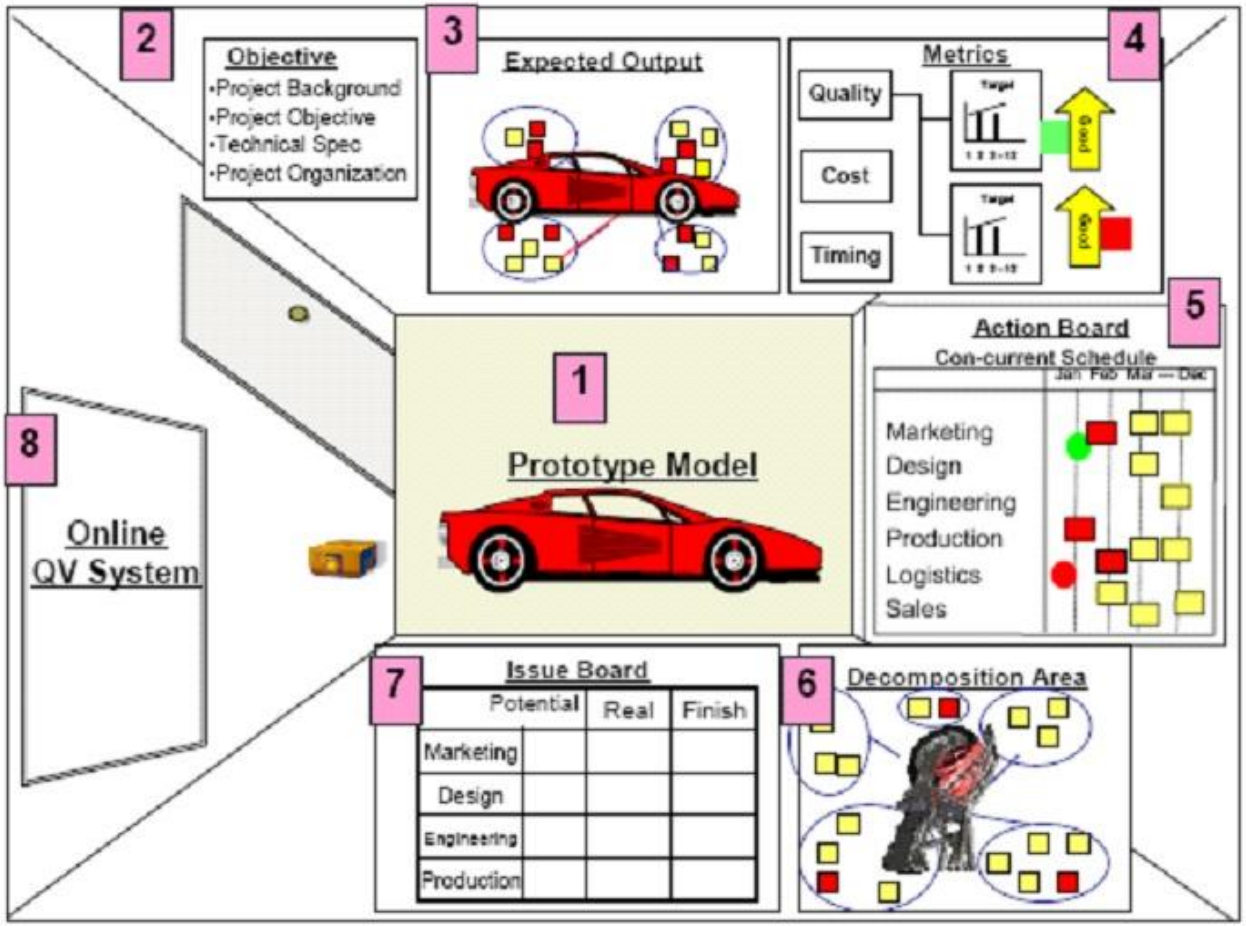
The Obeya Room Lay out

>> Key issue: the product is located at the centre



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Setting the pace of Obeya

- Meetings should be set in consonance with the type of project or its current situation.
- In case of crisis or urgent decision-making, events could be set to 2-3 times a day or even more frequently.
- Also, meetings can be set on a weekly basis, for instance, with suppliers and other external resources. They could be face-to-face meeting o callconf.

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The Obeya Room advantages

- Acts as **a lever for transformation** of habits, routines, attitudes within the organisation.
- Encourages teams to **manage the work in process**
- Allows shared decision-making and risk management
- It helps to prioritize. It also promotes co-workers' **responsibility and their ability to work without supervision**: the same team anticipates actions, detects situations

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The Obeya Room advantages

- The Obeya approach encourages teams to **work with agility**. It provides means for monitoring activity and work flows.
- It **supports project continuous improvement**. As problems arise, collaborative teams put forward a set of solutions to tackle them

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OBEYA KEYS FOR SUCCESS

- Obeya should be defined and built up by the team as it will become its own tool.
- This collaborative environment allows a sustainable working dynamics.
- Obeya is not a colourful post-it party
- Every project is unique, so it is Obeya

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OBEYA KEYS FOR SUCCESS

- Displays and boards can be adapted to any customer's needs, if required
- They show static and dynamic information/data: short-term and medium- term planning, action plan, KPI and PPC
- All team members should adopt and schedule the Obeya working routines: fixed events are not meant to be change
- Meetings are managed in turns by team players, so it is assured a greater involvement and everybody gets to know the techniques

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SUMMING UP: OBEYA is for…

Provides an overall and shared perspective
that allows organisations to keep on track

Observe things together

Learn together

Aiming at the core
issues, the source of
information

Act together

An effective communication channel .
High level of reactiveness

OBEYA: It is not “Big Brother” …. It is not meant for controlling

….. It is a tool done by and for the team to boost efficiency

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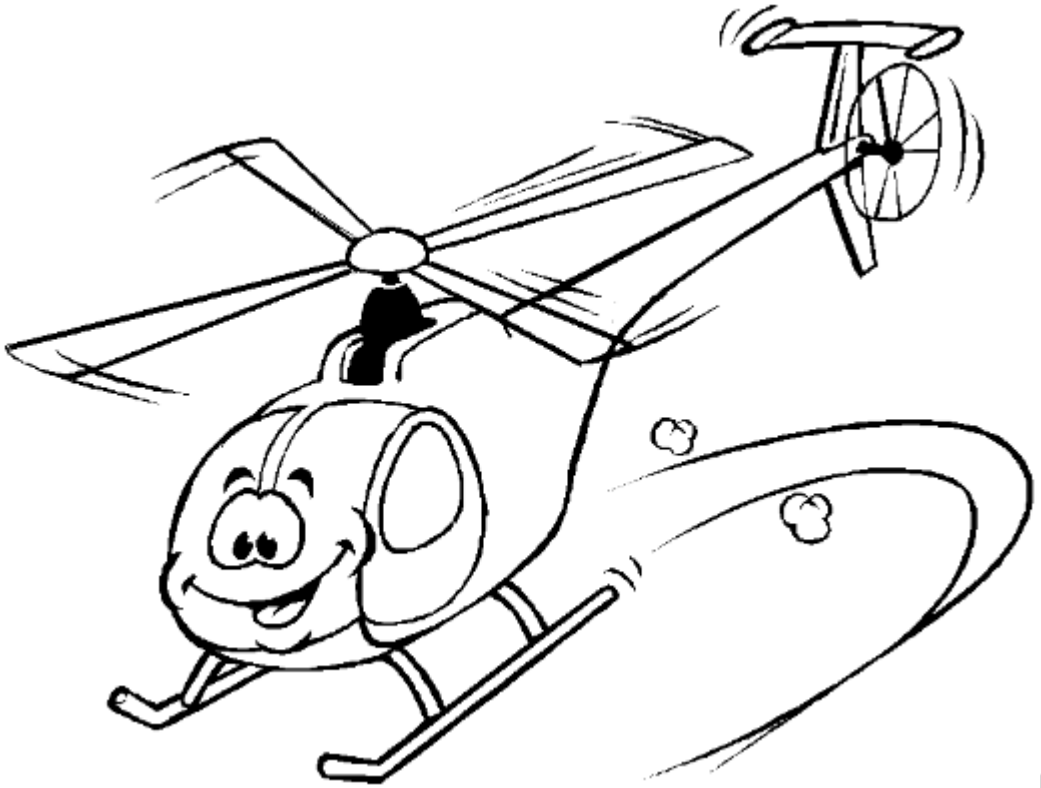
EXERCISE



INTRODUCCTION

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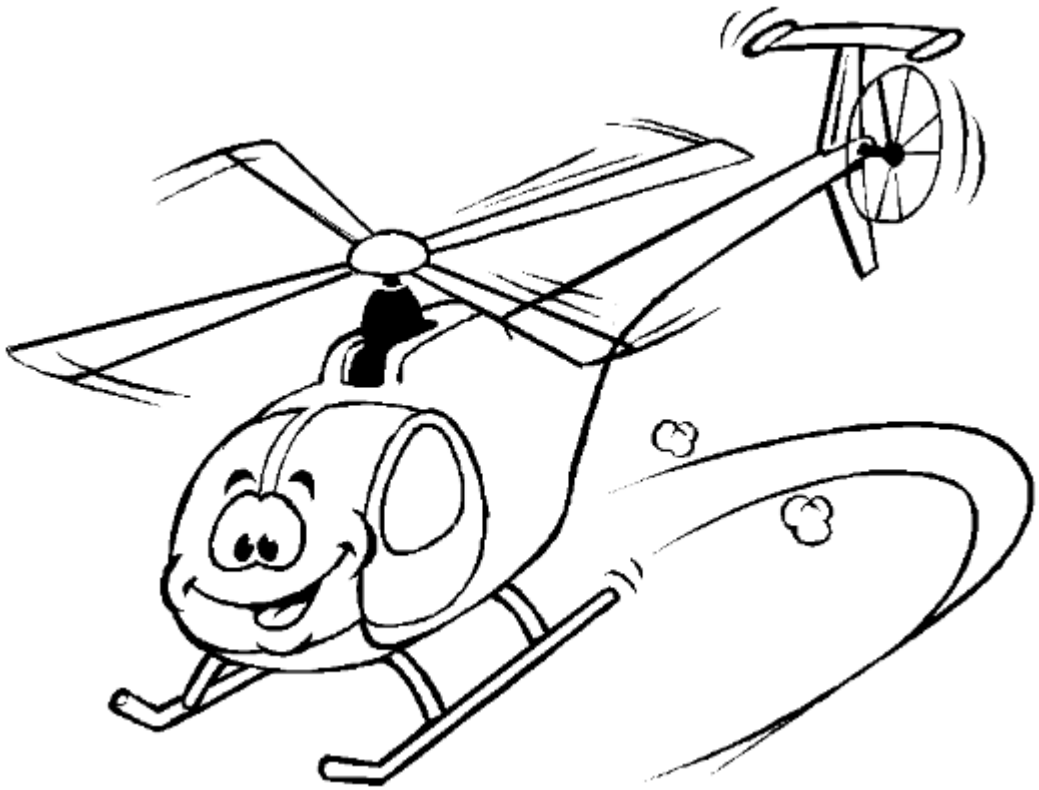
BEST PRACTICE



INTRODUCCTION
KPI DEFINITION

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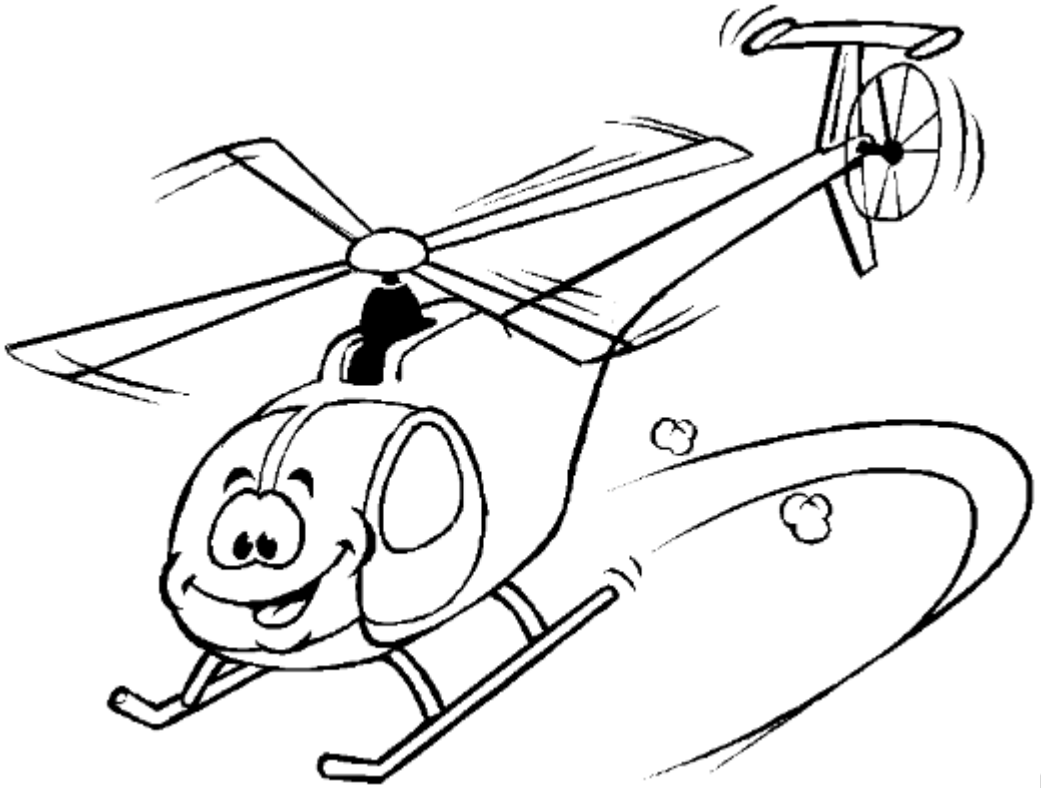
BEST PRACTICE



PAUSE TIMER
WEEKLY SIM EVENT

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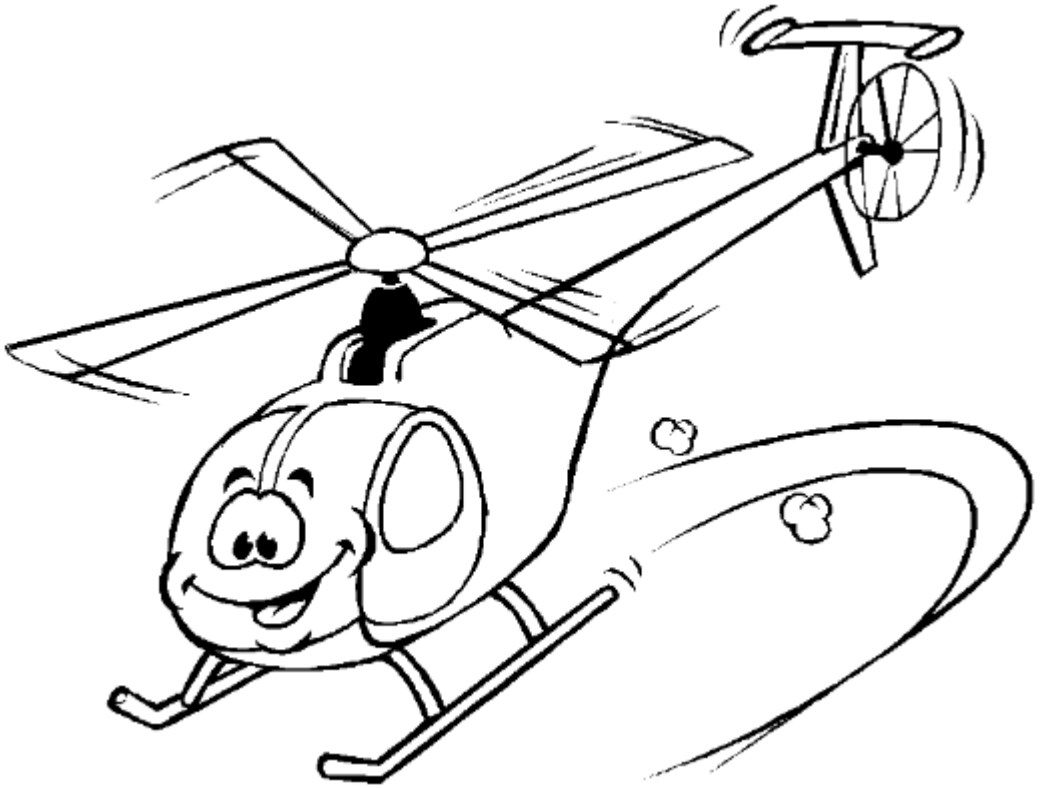
BEST PRACTICE



FOOD FOR THOGHT
VISUAL MANAGEMENT

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FINAL REMARKS:
KEY ISSUES ON VISUAL PROJECT MANAGEMENT

KEY ISSUES

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Place greater responsibility on employees

- Internal and external clients
- Committed to excellence on a permanent basis

KEY ISSUES

A responsive system

- Remove obstacles while working or …
- Stop the process and remove obstacles or
- Look for and eliminate root causes

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KEY ISSUES

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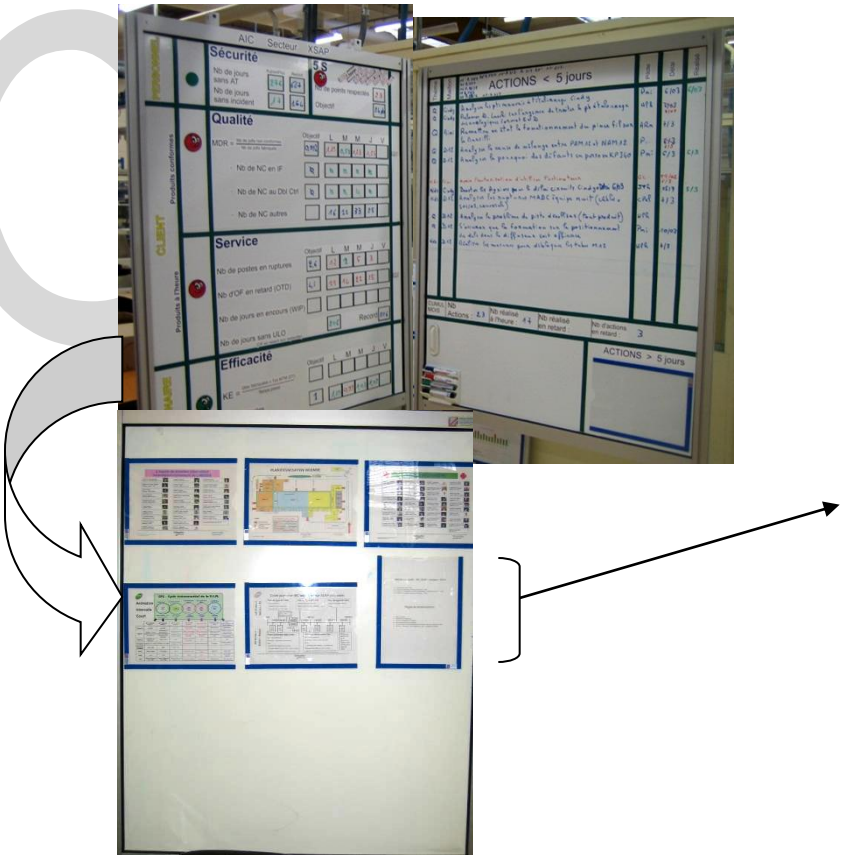
GEMBA visits>>>> where action happens

- Observe reality and…
- Listen to the employee who is experiencing the difficulty in order to…
- Understand what is actually going on

The standard of events

The following issues are defined:



Ejemplo de tablero reunión GIC

- A person in charge;
- A replacement for him/her
- Some stakeholders
- A meeting agenda
- The allotted time
- The starting time and the meeting place
- Different displays
- Some indicators

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Setting the working guidelines

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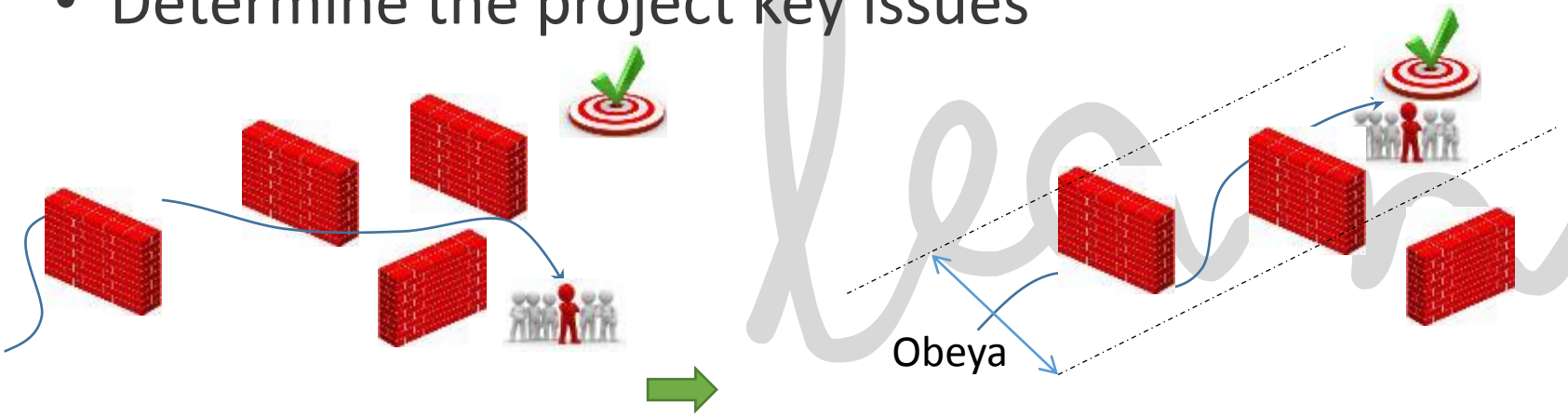
Target.

Follow- up and monitor projects for decision-making

How:

- Define project standard process
- Estimate timing, costs, tasks
- Determine the project key issues



Setting the working guidelines

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BBPP A project follow up, its deliverables and deadlines.

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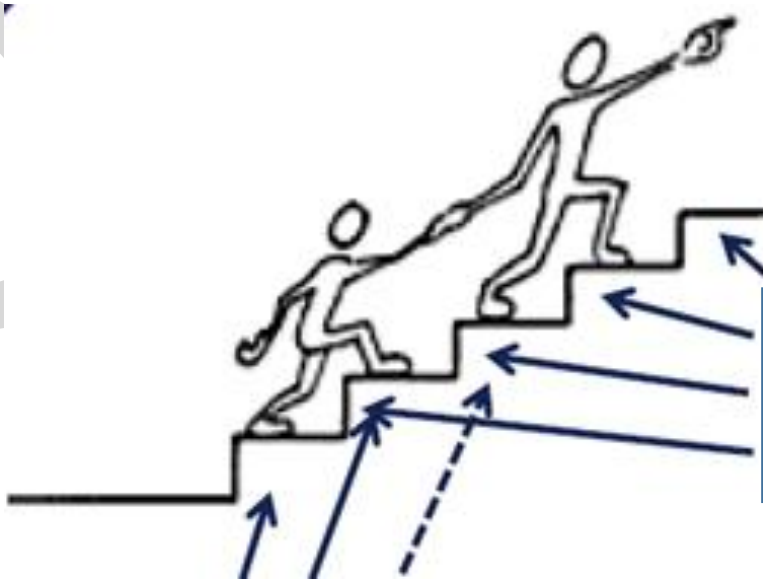
CONCLUSION: MAKE PLANNING VISIBLE

A set of tools for training



Visual planning , a tool for team learning and development

Visual planning , a tool for management

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CONCLUSION: MAKE PLANNING VISIBLE

Goals achieved:

- **Customer service level increases**
- **Deadlines are meet easily**
- **Teams feel driven and involved**
- **Quicker problem-solving**

=> Project manager training

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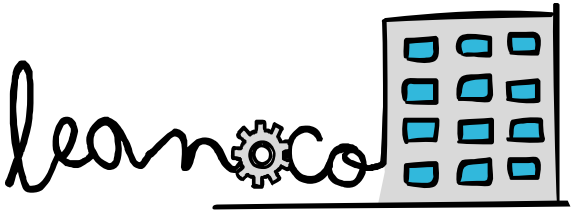
CONCLUSIONS

- Involves operators in problem-solving processes
- Facilitates mechanism for idea generation
- A system that allows communication and systematic control
- Decision-making based on priorities and indicators
- A consistent system for all



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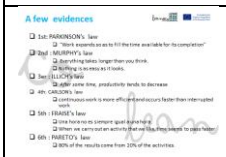
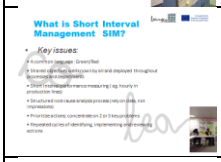
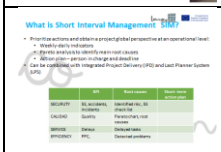
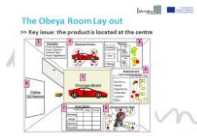
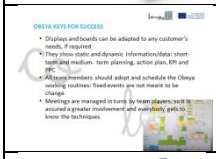
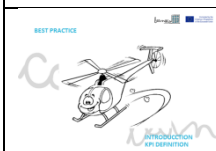
	4.5.2 The Obeya room
	To start with, pose these questions to evaluate the group's overall knowledge on project management
	This part is to review the basic Lean Management concepts as explained on previous lessons. Pose the following questions for discussion: What is added value (AV)? What is non added value (NAV)? DOWNTIME: what are the eight wastes? Could you point out the five lean principles? - Value - Stream value - Flow - Pull - Perfection
	Continuous improvement = a change in mentality + physical change=> cultural change
	Use this slide to recap previous lessons
	Ask yourself what is value… think about it, propose new ideas. Are customers willing to pay for certain operations/activities? Search for materials, product wastage or our extra processing?
	How do we define waste? What do we mean by waste? Every task people do normally at work can be either added value or waste. But how people identify both correctly? Searching for the tool that has been used by a workmate is necessary for people to do their jobs?
	To reach the objective, efforts must be focussed on removing waste.

	Could you identify any of these wastes in your daily routines? It is vital people get to know waste and could be able to identify it correctly.
	Use this slide to recap previous lessons Toward
	The road to improvement begins with the ability to detect and identify waste. Next, the target is removing waste.
	Improvement does not mean doing things faster but getting them right the first time round. Focussing the efforts on just doing things rapidly can lead to increasing added value activities but also non added value wastes. So, improvement is based upon the idea that added value time can be boosted by reducing or eliminating waste time.
	Use this slide to recap previous lessons
	Use this slide to recap previous lessons
	The objective on this section: - Highlight the importance of deploying the Short Interval Management System (SIM) as a key tool for continuous improvement
	Collaborative work that helps simplifying project tasks and processes.
	Have you ever heard any of these comments?
	Do we employ in our project management any particular method or routine to coordinate our people towards continuous improvement?

	
	
	This is to highlight the connection between LPS and SIM. Both systems can be run simultaneously.
	Remind the benefits that LPS can bring about
	So, now the question is how this set of management systems and tools has to be managed? And where? How often? Where?
	The Obeya room is a dedicated space for project management in a collaborative environment. No two Obeya rooms are alike: every team should build it according to its needs, bearing in mind that it should be agile and it will evolve throughout the project.
	Obeya does not replace other project management tools such as planning or employing indicators, instead it works in conjunction towards the same objectives: rapidly detect loss and deviations. Obeya sets the pace for project management.

	Pose this question: what do we need for management, decision- making? Indicators or data without goals or compare them with previous data, they are good for nothing... you cannot take decisions to improve or correct. Example: Know if we are going to speed that we are going in the car means nothing if we don't have the information of the speed limit.
	Think of the nature and the ongoing phase of the project to set the working routines. Agree with the team members the project working guidelines.
	Each wall/section is dedicated to a particular purpose. - Definition area: team, routines, project overview, customer's expectations, technical description, etc. - Operational follow up area: indicators, action plan. - Planning area - Area reserved for problem-solving, faults, OPL
	Routines should be adapted to the project nature and its current situation. Define the project working and management guidelines along with the team.
	A place where everything comes together and a place that gathers everything
	
	

BEST PRACTICE PAUSE TIMER WEEKLY SIM-EVENT	
BEST PRACTICE FOOD FOR THOUGHT VISUAL MANAGEMENT	
FINAL REMARKS: KEY ISSUES ON VISUAL PROJECT MANAGEMENT	
KEY ISSUES Place greater responsibility on employees • Internal and external clients • Committed to excellence on a permanent basis	
KEY ISSUES A responsive system • Remove obstacles while working or ... • Stop the process and remove obstacles or • Look for and eliminate root causes	
KEY ISSUES GEMBA visits>>>> where action happens • Observe reality and... • Listen to the employee who is experiencing the difficulty in order to... • Understand what is actually going on	
The standard of events The following issues are defined: • A person in charge; • A replacement for him/her • Some stakeholders • A meeting agenda • The allotted time • The starting time and the finishing time of • Different displays • Some indicators	
Setting the working guidelines Target. Follow- up and monitor projects for decision-making How? • Update project standard process • Estimate timing, costs, tasks • Determine the project key issues 	
Setting the working guidelines STEP A project follow up, its deliverables and deadlines.	
CONCLUSION: MAKE PLANNING VISIBLE A set of tools for training Visual planning , a tool for team working and motivation Visual planning , a tool for management	
CONCLUSION: MAKE PLANNING VISIBLE Goals achieved: • Customer service level to assure • Initiatives we must apply • Team time to take and involved • Flexible and easy setting => Project manager training	

CONCLUSIONS
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