Strategy Deployment
An Executive Case Study in Hoshin Kanri

DIDIER RABINO, V/P EXECUTIVE LEAN SENSEI
• **HealthEast / Fairview** (5 years): VP, Executive Lean Sensei

• **Andersen Windows** (8 years): plant manager & architect of the Andersen Management System

• **Steelcase Inc.** (13 years): Operations manager. Helped developed the Steelcase Production System

• **Institute of Industrial Engineering**: 27th recipient of the Honorary Member Award

• **AME**: Board Director of the North Central Region

• **Lean Management Systems** (consulting): President
Learning Objectives

- Create alignment and focus
- Deploy goals and strategies
- Engage the whole organization in the transformation
- Use visual systems to manage projects
- Develop problem solving skills while getting results
About HealthEast

HealthEast is a full-service health care provider serving the Twin Cities East Metro

14 primary care clinics
4 award-winning hospitals
7,500 employees
1,100 volunteers
850 providers
Specialty centers, home care, hospice care
Comprehensive wellness program
1.1 Million residents, 63 languages

In June 2017: HealthEast and Fairview combined, becoming a 32,000 employee strong healthcare organization
LEAN JOURNEY at HealthEast

2006 - First Lean flow **projects** and education
2011 - First department with frontline **tools**
2012 - First Value Based Improvement (VBI) **system** launched
20?? - **Lean is our way of life**
Lean “House”

Our Vision:
Optimal health and well-being for our customers, our communities and ourselves

Clinical Quality
Customer Experience
Employee & Provider Engagement
Smart Growth & Financial Health

Just in Time

Waste Reduction
Problem Solving Techniques
Kaizen/3P Leadership
A3 Thinking

Continuous Improvement with Respect for People
Gemba Walks
Strategy Deployment
Frontline Management System
People and Teamwork

Built-in Quality
Error Detection
Shingo Model

Stability & Standardization

Workplace Organization
Equipment Design & Reliability
Standard Work
Lean “House” Remodeled

Remodeling with HealthEast / Fairview combination

Vision | Outcomes | Strategy

Deployment System

Create value for those that we serve

Management System

Our People

Principles & Commitments

Mission & Values

Improvement System

Workplace Organization
Visual Controls
Standard Work
Leader Standard Work
Level Loading
System Reliability
Tier Management

Value Stream Mgt.
Kaizen/3P
A3 Thinking
Frontline Improvement
Pull Systems
Error Detection
Problem Solving Tech.
Lean at Healtheast: The Culture

Better Results
- Clinical quality
- Patient experience
- Engagement
- Cost effectiveness

Better Processes
- Less waste
- Less variation
- Less burden on employees and physicians
- Built-in quality
- Total employee and physician engagement
- PDCA and A3 Thinking expertise
- Making problems visible
- Learning organization

Better Problem Solvers
- Focused strategy deployment
- Layered and supportive standard work
- Visual management
- Accountability system

Better Management System
- Focused strategy deployment
- Layered and supportive standard work
- Visual management
- Accountability system

Continuous Improvement Culture
Connect Mission to Daily Improvement

1. MISSION
   Why does the organization exist?

2. VISION
   Where is the organization heading?

3. STRATEGIES AND CAPABILITY PLATFORMS
   How do we support the vision?

4. PERFORMANCE DIMENSION A3’S: METRICS & THEMES
   What are the targets? What are the plans to achieve the targets?

5. A3 PROJECTS
   What are the 30-90 day projects to support each dimension?

6. FRONTLINE IMPROVEMENT SYSTEM
   How do we align the entire organization?
Team Structure

Value Creation

Tier 1
- 300 teams

Tier 2
- 26 teams

Tier 3
- 7 teams

Tier 4
- 1 team

Frontline
Entities
Business Units
Executive Leadership Team

Engage, align and support the whole organization
4 Types of Problems

**Strategy deployment:**
- Market Positioning
- Platform Capabilities
- Performance Dimensions

**Types of Problems:**
1. **TYPE 1 Burden Relief**
   - Corrective action oriented with limited root cause analysis
2. **TYPE 2 Gap from Standard**
   - Recurring situation oriented with strong root cause emphasis
3. **TYPE 3 Target Setting**
   - Future occurrence oriented with a new target state emphasis and creative solutions
4. **TYPE 4 Innovation Oriented**
   - Future oriented with a more open ended view for problem resolution

**Strategy Deployment Strategies:**
- A3 Problem Solving
- Daily Engagement
Strategy Deployment Rooms

- Tier 1: 300 teams
- Tier 2: 26 teams
- Tier 3: 7 teams
- Tier 4: 1 team

Entities, Business Units, Executive Leadership Team
Strategy Deployment Rooms

Nemawashi

A3 Projects
Strategy Deployment Reviews

**WEEKLY SCHEDULE**
- Frontline teams
- Gemba walks
- Entities
- Business Units
- Executive Leadership Team

**DEEP DIVE ROTATION**
- Quality & Safety
- Efficiency
- Customer Experience
- People Engagement

### WEEKLY SCHEDULE

**Monday**
- Engagement
- SGFH
- Clinical Quality
- Customer Experience

**Tuesday**
- Gemba walks
- Memorial Day

**Wednesday**
- Frontline teams

**Thursday**
- Business Units

**Friday**
- People Engagement

### DEEP DIVE ROTATION

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Gemba Walk: Coach and Learn

The image contains a Gemba Walk template focusing on standard work, quality assessment, and accountability. It includes sections for standard work, entity Gemba walk standard work, and entity Gemba walk—quality assessment.

Standard Work: All work shall be highly specified as to content, sequence, timing, and outcome.

Entity Gemba Walk—Standard Work

Date: Entity: Location:
Frontline Team: Attendees:
1. Review commitments from prior Gemba Walk.
2. Celebrate 1 point of pride (a challenge that was recently overcome).
3. 15 minutes: Improvement Kata (Leader applies the Improvement Kata to a hot spot & then repeated by another).
   - What is the Scenared Gap between Target and Actual?
   - What are your obstacles to getting to target?
   - What learning are you doing from actions taken?
   - What are your next steps?
   - Take Notes Below:

Entity Gemba Walk—Quality Assessment

Date: Entity:
Location:
Vice President Leading: Assessor:

Strategy Deployment review: 4 Points

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<th>Success Criteria</th>
<th>Points</th>
<th>Observations and opportunities</th>
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<td>Quality of Improvement and coaching Kata</td>
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<td>Time management and fluidity of the meeting</td>
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<td>Accountability and drive for action</td>
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Frontline Management review: 4 Points

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1.宝石行动：教练和学习

这一页的图片内容包括了标准工作、实体Gemba走—标准工作和实体Gemba走—质量评估部分。

标准工作：所有工作内容应详细规定，包括内容、顺序、时间及结果。

实体Gemba走—标准工作

日期：实体：位置：
前线团队：与会者：
1. 回顾之前Gemba走的承诺。
2. 庆祝1点的骄傲（最近克服的挑战）。
3. 15分钟：改进Kata（主导者对热点应用改进Kata，然后由另一位进行）。
   - 热点1：目标和实际之间的差距是什么？
   - 你在障碍是什么？
   - 你从采取的行动中学习了什么？
   - 你的下一步是什么？
   - 记录如下：

实体Gemba走—质量评估

日期：实体：
负责人：评估者：

策略部署评审：4点

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<td>时间管理和会议的流畅性</td>
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前线管理评审：4点

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Daily Improvement by Frontline

Tier 1
300 teams

Tier 2
26 teams

Tier 3
7 teams

Tier 4
1 team

Act
Plan
Check
Do

Metric Board

Improvement Board
Frontline Improvement: Metric Board

Run Chart per Dimension:
1. Quality & Safety
2. Customer Experience
3. People Engagement
4. Efficiency
Frontline Improvement: Run Chart

- Target
- Daily Performance
- Causes
- Top Causes
Frontline Improvement: Idea Board
Lean at HealthEast – Lessons Learned

- Go to Gemba, ask “why”, learn the processes and their issues
- Make problems visible, accept their existence and address them
- Develop people (everybody, every day) and improve processes (all of them) simultaneously
- Stabilize, standardize then improve
- Biggest of all: become a PDCA expert
The Lean Journey Continues