



Baseline
requirements of
a successful
organisation in
2025

Operational
Excellence

 efficiencyworks

Agenda

1

Who is Efficiency Works?

2

Who is presenting today?

3

What is Operational Excellence?

4

Q&A

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WHO ARE WE?

Efficiency Works helps medium to large organisations across Australia and New Zealand increase productivity and sustain it.



2007

Established in 2007

1,000+

Clients serviced

2012

RTO Since 2012

1,000,000+

\$ in Productivity Gains

Continuous Improvement and Leadership

Consultancy
Training (RTO 40575)

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Some of our clients since 2007...



BHP



RONDO

CITY OF SYDNEY



CITY OF GOLD COAST



Richard Matthews

BSc Coventry University (UK)
European Engineering & Business
Lean Six Sigma Black Belt

Operations Leadership
Project / Account Management
Lean Consulting & Training
Manufacturing / Local Government / Aviation
/ Facilities / Construction

General Manager 2 years
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Consulting & Training



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WHICH ORGANISATIONS EMBODY OPERATIONAL EXCELLENCE.....AND WHY?



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TOP 10 WORLD'S BEST COMPANIES 2024

TIME World's Best Companies of 2024

🔍 Search in table

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Rank	Company name	Headquarters	Overall score	Sustainability transparency rank	Employee satisfaction rank	Revenue growth	Industry
1	Apple	United States	97.75	1	4	Very High	IT, Electronics, Hardware & Equipment
2	Accenture	Ireland	97.7	4	21	Very High	Professional Services
3	Microsoft	United States	97.65	111	2	Outstanding	IT, Electronics, Hardware & Equipment
4	BMW Group	Germany	97.41	171	7	Outstanding	Automotive Industry & Suppliers
5	Amazon	United States	96.47	300	3	Outstanding	Technology, Media & Services
6	Electricite de France	France	96.22	180	27	Outstanding	Utilities
7	American Express	United States	96.0	77	26	Outstanding	Banking & Financial Services
8	Meta Platforms	United States	96.0	64	8	Very High	Technology, Media & Services
9	Siemens	Germany	95.96	40	10	Very High	Technology, Media & Services
10	JPMorganChase	United States	95.93	147	18	Outstanding	Banking & Financial Services

WHAT DOES OPERATIONAL EXCELLENCE LOOK LIKE?

Operational excellence is a

- 🔗 Mindset
- 🔗 Set of principles and tools
- 🔗 Way of creating a culture of excellence within an organisation.

Operational excellence means every employee can

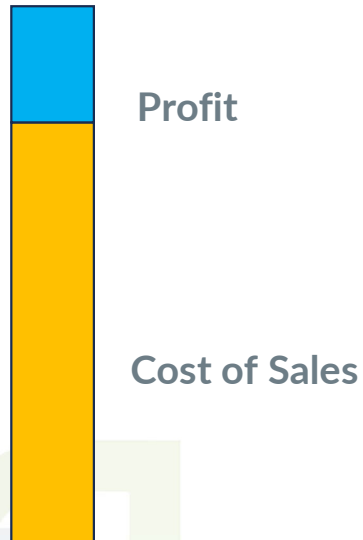
- 🔗 See
- 🔗 Deliver
- 🔗 Improvethe flow of value to a customer.

Operational excellence employs the tools of Continuous Improvement methodologies, such as

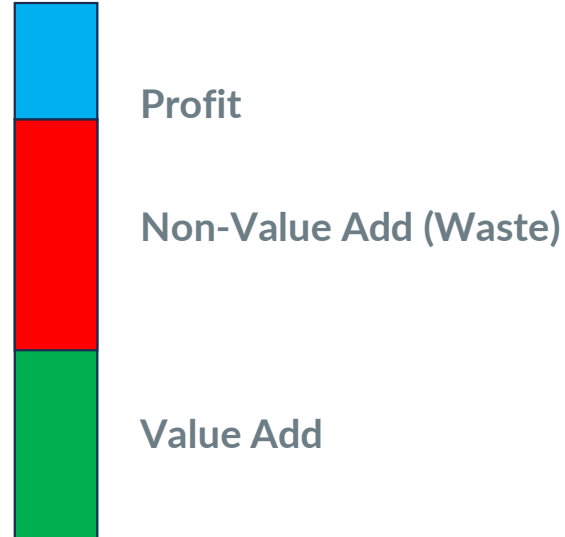
- 🔗 Lean thinking
- 🔗 Six Sigma / Process Excellence
- 🔗 OKAPI (Objective, Key result, Actions, Performance, and Insights)
- 🔗 Strategy Deployment

CHANGING THE PARADIGM

How we view business



How it really is

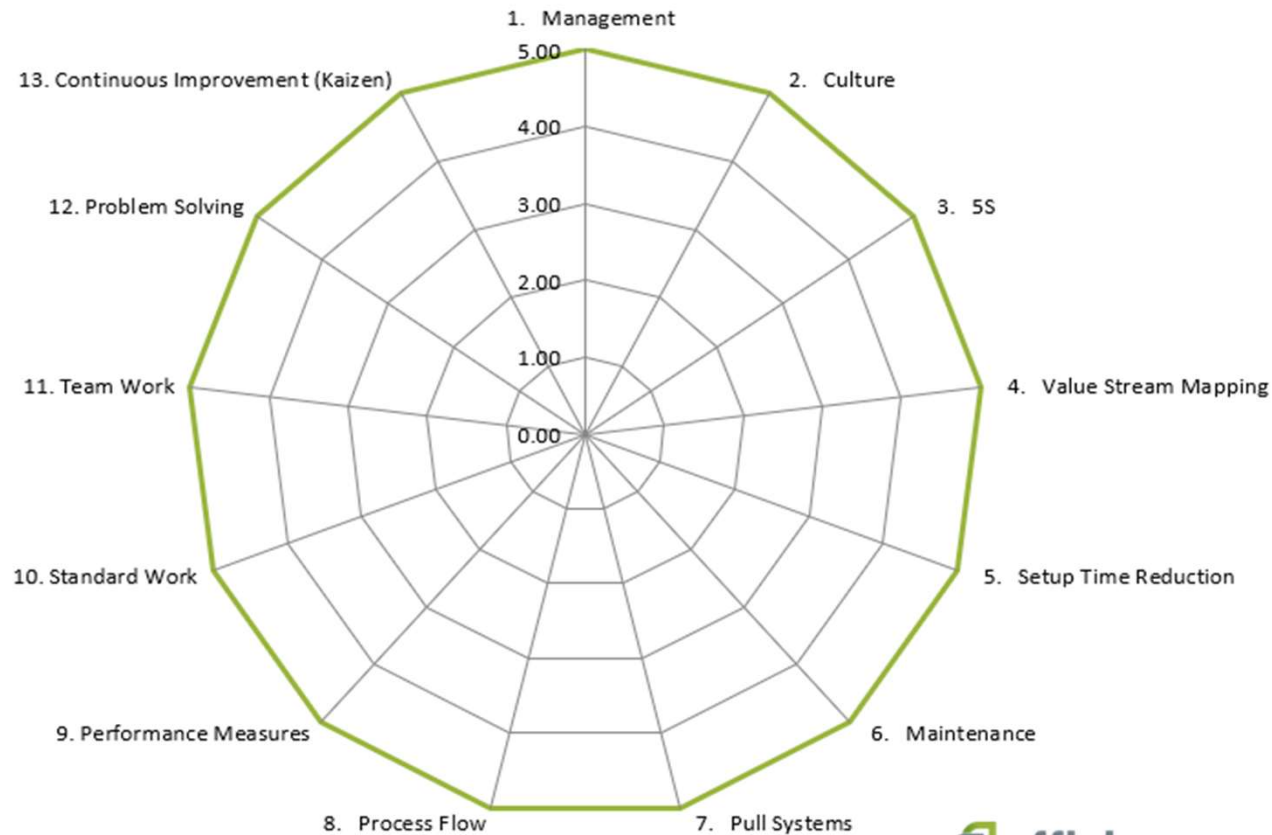


What we can achieve



HOW CAN OPERATIONAL EXCELLENCE BE MEASURED?

Operational Excellence Assessment



EXPLORING KEY DIMENSIONS

How would we rank our existing organisations on the following:

- 📊 Management approach to Operational Excellence
- 📊 Culture of Excellence
- 📊 Value Stream Mapping
- 📊 Problem Solving
- 📊 Performance Measures
- 📊 Continuous Improvement

MANAGEMENT APPROACH TO OP-EX

Level	Description
0	We are not aware nor interested in OpEx
1	We are aware of and interested in OpEx but there is no evidence of OpEx in our business
2	We fully understand OpEx concepts and have made the decision to implement but have not planned the implementation.
3	We have a formal plan to implement OpEx and have started to implement and the Management team fully supports by coaching and supporting
4	Management fosters an OpEx environment. Metrics including financials are visible.
5	OpEx has become the way of doing business

CULTURE OF EXCELLENCE

Level	Description
0	No attempt has been made to address Cultural Change
1	There is awareness of Cultural Issues in the Organisation but no specific plan to improve
2	Awareness that Cultural Issues exist, some specific plans are in place to improve. Limited employee involvement noted or encouraged by management
3	A cultural change process has begun. Change leaders have been identified and are being educated in how to effect the cultural change.
4	Cultural improvements seen. Success recognized and rewarded; some areas embrace continuous improvement. Employees at ease putting ideas and improvements forward – often contribute spontaneously
5	Continuous Improvement is part of the culture. Employee leadership widespread, spontaneous and visibly supported. Empowerment is given and received. Employees know their contribution and take responsibility with pride.

VALUE STREAM MAPPING (VSM)

Level	Description
0	No processes have been Value Stream Mapped (VSM)
1	VSM is understood by some, and an attempt has been made to map a simple process
2	VSM training has occurred. Some processes have been Mapped, Few improvements made.
3	VSM is understood by all. VSM's have been completed. Actions and responsibilities assigned.
4	VSM is done regularly. Improvement actions are aligned with business objectives and completed.
5	Most processes are mapped and known by all employees. VSM is part of how we do things.

PROBLEM SOLVING

Level	Description
0	Focused on symptoms rather than causes. Many recurring problems.
1	Problem Solving is ad hoc / reactive, informal, some time taken to understand causes
2	Some use of structured problem solving is evident, usually in response to major problems.
3	Majority of significant problems are tackled by Root Cause Analysis (RCA), high degree of employee involvement.
4	Problem Solving is systemic and used extensively throughout the organisation.
5	Formal problem solving is part of the culture and full RCA is conducted for all problems.

PERFORMANCE MEASURES

Level	Description
0	No visible performance measures. Goals, if they exist, are individual focused financial and output targets.
1	Company goals, if they exist, are not linked to process performance. Limited visibility of performance measures.
2	There is evidence of measures that highlight causal factors. Some visual measures are evident.
3	All teams have visual performance measures displayed and meet to discuss them daily. These measures provide feedback for problem solving.
4	Teams have taken ownership of their measures and utilising for Continuous Improvement.
5	Team goals / performance measures are aligned with corporate measures and drive CI.

CONTINUOUS IMPROVEMENT (CI)

Level	Description
0	Employees and managers are not concerned about CI and no CI methods exist.
1	Improvements are reactive and not embraced by the organisation.
2	Some CI methods evident but only used by managers.
3	Some kaizen events and proactive CI is evident. Results are documented and displayed.
4	CI used to advance teams and company. All employees trained in CI tools and use Kaizen events for most problems. Dashboards track improvements.
5	PDCA and DMAIC are known by all. CI is embedded in the culture. CI events are performed routinely.

5S A method of creating a clean and orderly workplace (physically and digitally) that exposes waste and errors

Level	Description
0	No workplace order (physical or digital)
1	Aware of 5S but no evidence in the workplace exists
2	Some 5S is evident and some training has been undertaken
3	5S is evident, employees support and practice 5S principles, materials, tools, and digital files assigned permanent positions throughout the business.
4	All areas periodically audit and standardise processes and there is evidence of employee pride.
5	5S sustainment is clearly part of the culture. Root causes from the standards are thoroughly analysed and rectified. Employee ownership is visible.

SET UP TIME REDUCTION

Level	Description
0	No setup time reduction processes, measurement or appreciation of the impact.
1	Set time is known and allowed for in scheduling but no thought given to reducing it.
2	Informal and sporadic attention and training given to set up time reduction.
3	Formal setup reduction program, team in place, and basic awareness of the process exists.
4	Formal program in place and some evidence of prioritisation. Most crucial equipment/processes have been reviewed at least once with setup times reduced.
5	Setup times are <10 minutes on all crucial equipment/processes. Set up time reduction process is well defined and widely used and understood.

MAINTENANCE

Level	Description
0	Run to Breakdown. No Preventative Maintenance (PM).
1	PM is done ad hoc. No equipment history collected.
2	Formal PM implemented. Includes visible evidence of system, history is documented, and downtime, process, and output reviews are scheduled.
3	Daily/weekly PM schedule is visible. All staff are involved in carrying out basic maintenance/reviews.
4	Maintenance transferred to operators/staff. Process checks built into the day-to-day business. Root Cause Analysis used to develop process improvement.
5	Operators/staff carry out daily/weekly maintenance and checks. Maintenance personnel attend to major overhauls and coach/mentor operators.

CUSTOMERS / PULL SYSTEMS

Level	Description
0	Production or Services based on forecasting. No pull systems used. Pull systems provide a strategy to reduce waste. Components used in the manufacture or delivery process are only replaced when they have been consumed.
1	Customer demand taken into account when scheduling. Little knowledge of Pull systems.
2	Some visual signaling to control inventory is used. Employees understand the value of the system and a small number have been trained.
3	Visual signaling and controls are used to schedule finished goods/services. Customer drives the demand. Employees have been trained in Pull systems, and it is well understood.
4	Visual signaling & controls can be seen in most areas (including office). Improvements are documented and prioritised.
5	Customers, suppliers, and production is run with visual signaling systems. The system is fully understood, utilised, and adjustments made by all employees.

PROCESS FLOW

Level	Description
0	Little flow is visible as it is obstructed by clutter and WIP
1	Some flow and analysis/documenting of processes is taking place.
2	Flow can be seen in some areas. Takt time is known but not utilised. Large batches and excessive WIP still exists.
3	Continuous flow can be seen in product, material, and information flow. Takt time is used effectively.
4	Flow & std. work is implemented and adhered to in most areas. Waste elimination between processes is a major focus.
5	All areas have been converted to flow and Standard Work implemented.. All processes have been VSM'd. WIP is at minimal levels.

STANDARD WORK

Level	Description
0	No standard work procedures exist. Do not understand the connection between Std work and CI.
1	Some Std work procedures exist but are out of date nor displayed. A plan is in place to update and display.
2	Teams are beginning to improve existing procedures.
3	Std work procedures are current and visual.
4	All std work procedures are current, visual and process owners understand them. Ownership taken to use standards and keep them up to date.
5	As 4 plus the std work and process flow match the procedures. Changes are easy to make. CI is reflected in the procedures.

WHERE TO NEXT?

Consider the following:

- 📌 Current Organisational Strategy / Vision 'Hoshin Kanri'
- 📌 Benchmarking performance against a known standard
- 📌 Quick wins and med – long term planning
- 📌 Deployment strategy 'Inch wide / mile deep'
- 📌 Prioritisation of Op-Ex dimension e.g., Problem Solving / Culture etc
- 📌 Change Management, Communication and Engagement

Questions?





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