



Lean Profit HuntSM ***Accelerated Transformation***

Why Change?

Could your business benefit from...

- Increased operational efficiency and productivity
- Satisfied and loyal customers
- Accelerated top line growth

While also...

- Reducing working capital requirements
- Creating speed in the organization
- Removing wasteful activities
- Developing an improvement culture

Goals of a Profit Hunt Assessment

- Analyze business performance and develop a business case for improvement from the “current state” to the “future state”



Helps to show potential

Creates a plan to address barriers

Builds sense of urgency among leaders

Provides assistance to move rapidly

Defines roadmap to achieve results

Assessment Approach

Determine business needs

What are the business aspirations and goals?

Understand the Current State

Can we describe and measure non-value added work?

Identify opportunities

What are the problems that need to be addresses?

Hypothesize the Future State

How will this look when it is fixed?

Develop the Business Case

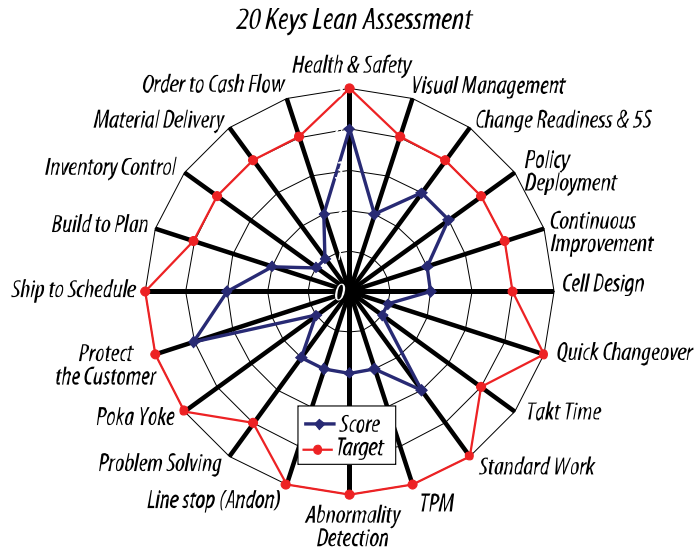
What is the business benefit and investment?

Outline the framework for a successful program

How fast can we see results?

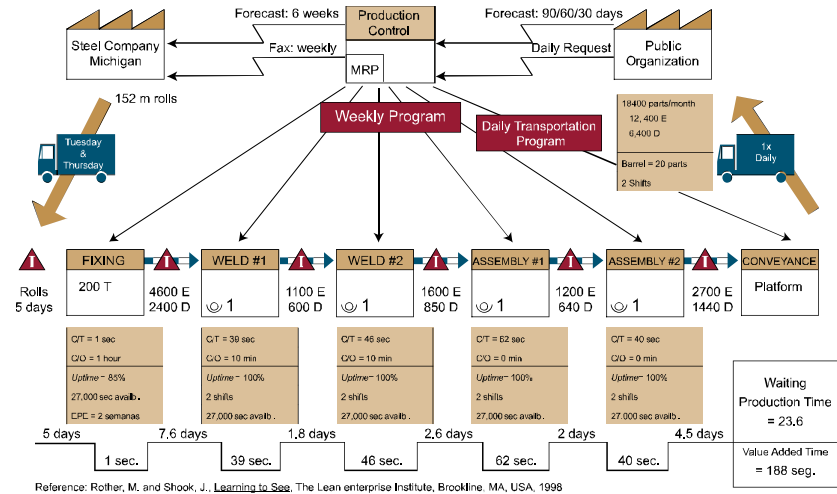
Typical Assessment Outputs

A. Interviews & Observations



- Customer Needs
- Leadership Goals
- Stakeholder Needs
- Interviews
- Characteristics

B. Process Overview



Reference: Rother, M. and Shook, J., *Learning to See*, The Lean enterprise Institute, Brookline, MA, USA, 1996

- Value Stream Characterization
- Analytical Assessment
- “See” the Waste
- Confirm Feedback

Typical Assessment Outputs

C. Opportunities

Opportunity Summary/Problem Statements

Opportunity Description	Start Date Sept-08	End Date Dec-09	Cost Reduction
Overhead	123.0	105.0	18
Packaging	29.0	26.0	3
Maintenance	25.0	20.0	5
Energy & Consumables	17.6	12.6	5
Quality	13	4.0	9
Total Cost \$Millions	207.6	167.6	40

- Assess Priorities
- Implementation Ability
- Enabling Projects
- Inspiring Future Success

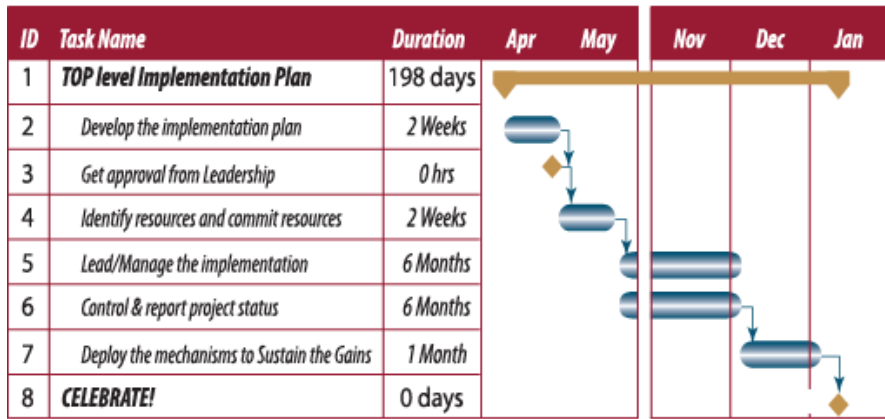
D. Value



- Create a Business Case
- Quantitative & Qualitative Value
- Cost—Benefit
- Ensuring Support

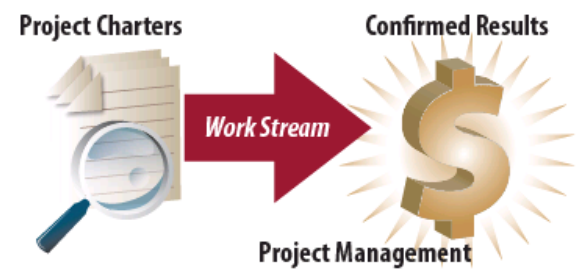
Typical Assessment Outputs

E. Planning Implementation



- Path Forward
- Initial Problem Statement
- Process Owner Commitment
- Team Members

F. Leading the Implementation Team



Task	Responsibility	Completion Date	Status	TLS
Arrange services for new layout	P. Stevens	14-Sept-08	Complete	[Blue]
Train operators in new working method	I. Ramiah	13-Sept-08	Open	[Red]
Set up lineside stocking locations	K. Yang	17-Sept-08	Complete	[Blue]
Move equipment to new locations	W. Rodgers	23-Sept-08	Open	[Gold]
Revise material handling route	M. Joshi	16-Sept-08	Complete	[Blue]

- Organizing for Success
- Project Management
- Communication
- Collaboration