

# DST Output: The Pursuit of Business Excellence



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## Today's Roadmap

1. Inside Output: Making Quality Statements
2. DST Output Strategic Plan
3. Business Excellence
4. Lessons Learned
5. Institutionalize Continuous Improvement



[IW Week Video](#)

# Inside Output: Making Quality Statements



**Strategy is the path for attaining the vision**

# The Plan framework

“We are the premier provider of statement and billing output solutions”

“Make every customer reference-able”



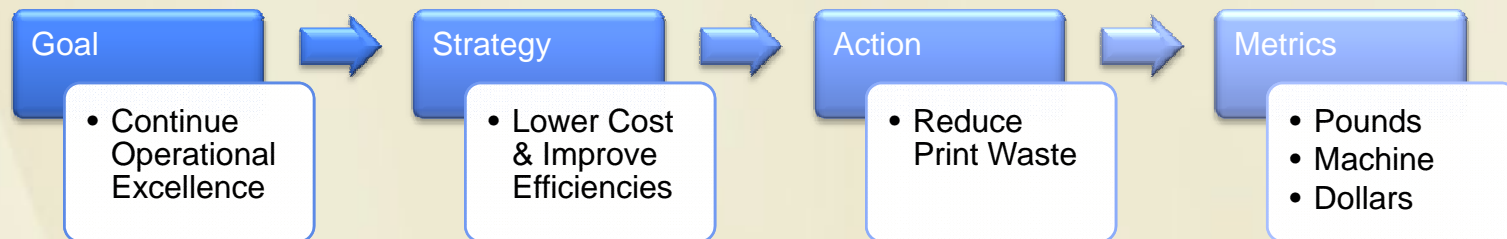
Decide what **you want to accomplish . . .**



**"What gets measured, gets done"** Tom Peters

# Measure What's Relevant

- Define the Goal
- Define Actions that are Causal to the Goal
- Tier the Causal Actions to the Appropriate Level
- Turn Actions into Metrics



# DST Output's Measures

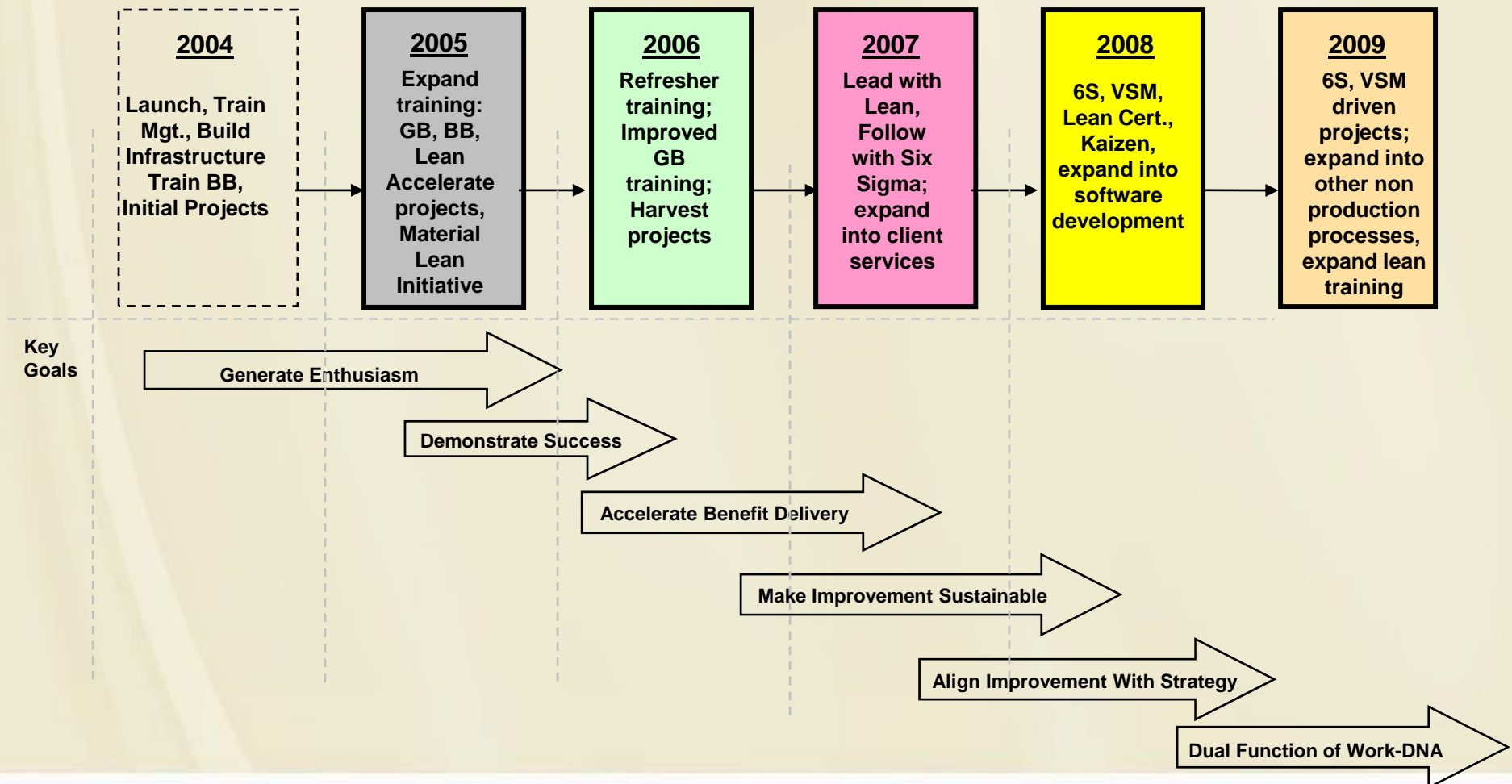
Measurement	Key Performance Indicator
Quality	External Defects
Quality	Internal Yield and Internal Defects
Delivery	On-Time Delivery
Customer Satisfaction	Overall Satisfaction
Customer Satisfaction	Likelihood to Recommend
Health and Safety	OSHA Reportable Incidents
Health and Safety	Lost Day Rate
Well-Being	Associate Satisfaction
Organizational Effectiveness	Cost of Quality
Organizational Effectiveness	Institutionalize Continuous Improvement
Organizational Effectiveness	Productivity-Images per Associate



# The Pursuit of Business Excellence

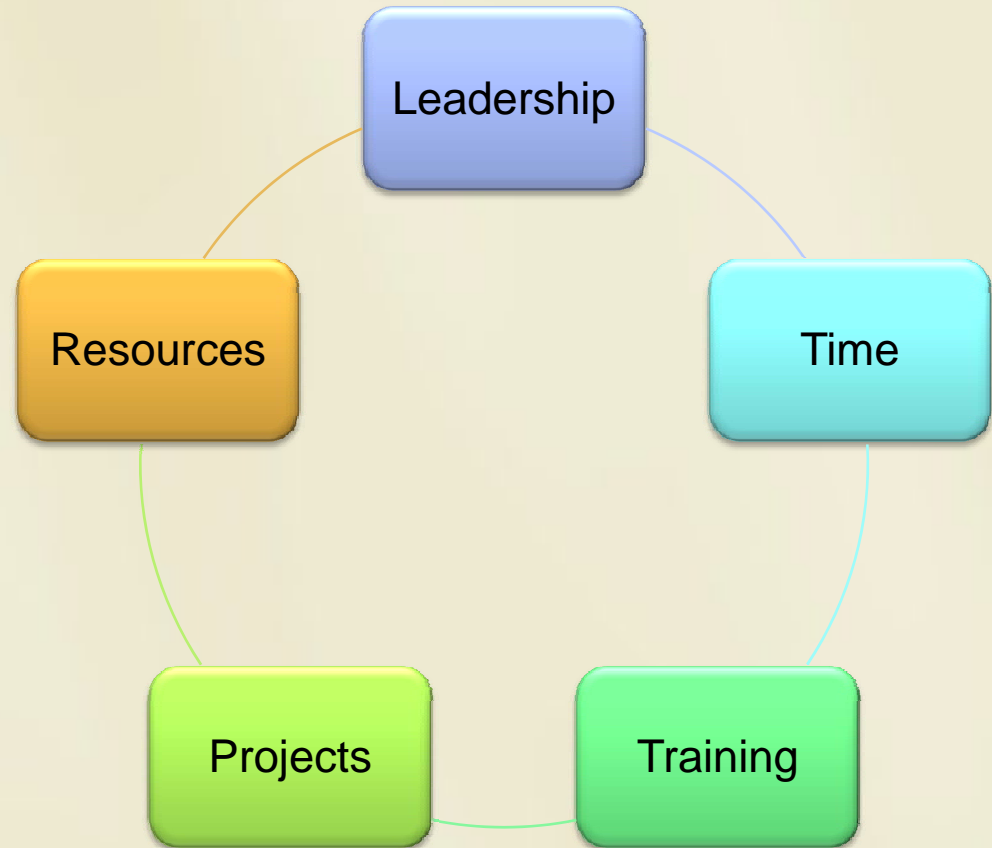


# The Business Excellence Journey





## DST Output Challenges



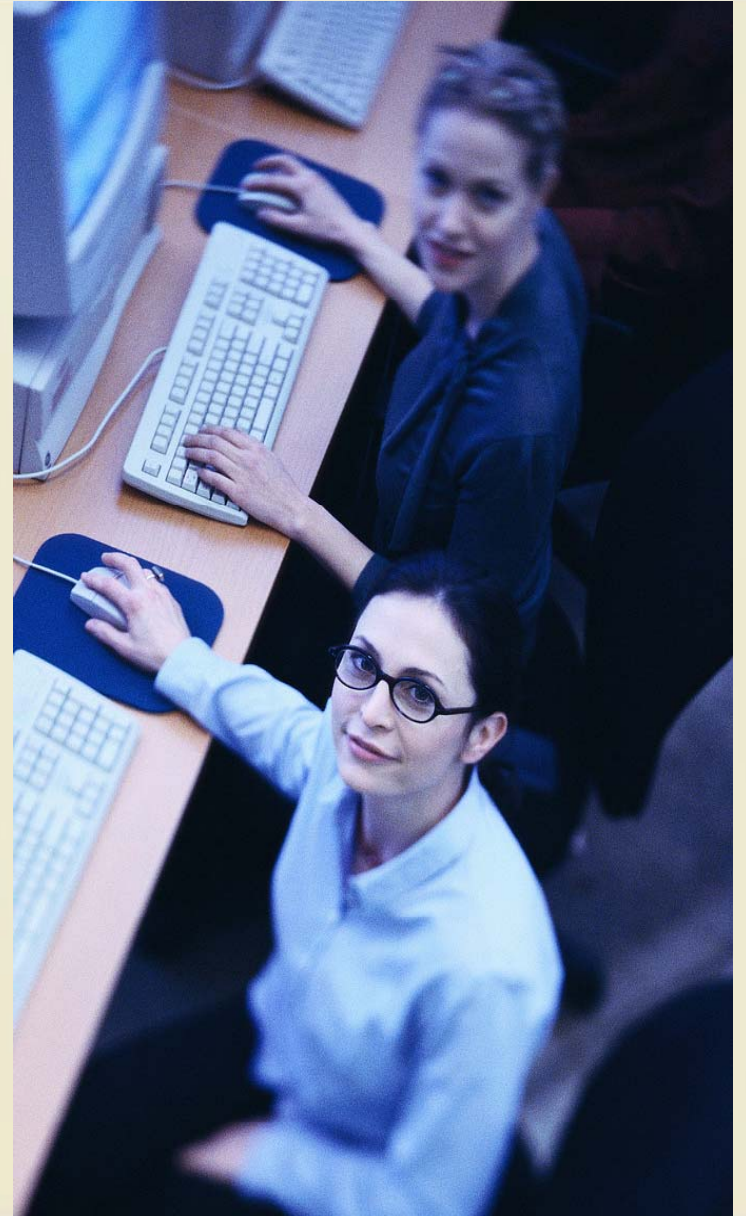
# Leadership

- Expectations
- Understanding
- Commitment & visibility



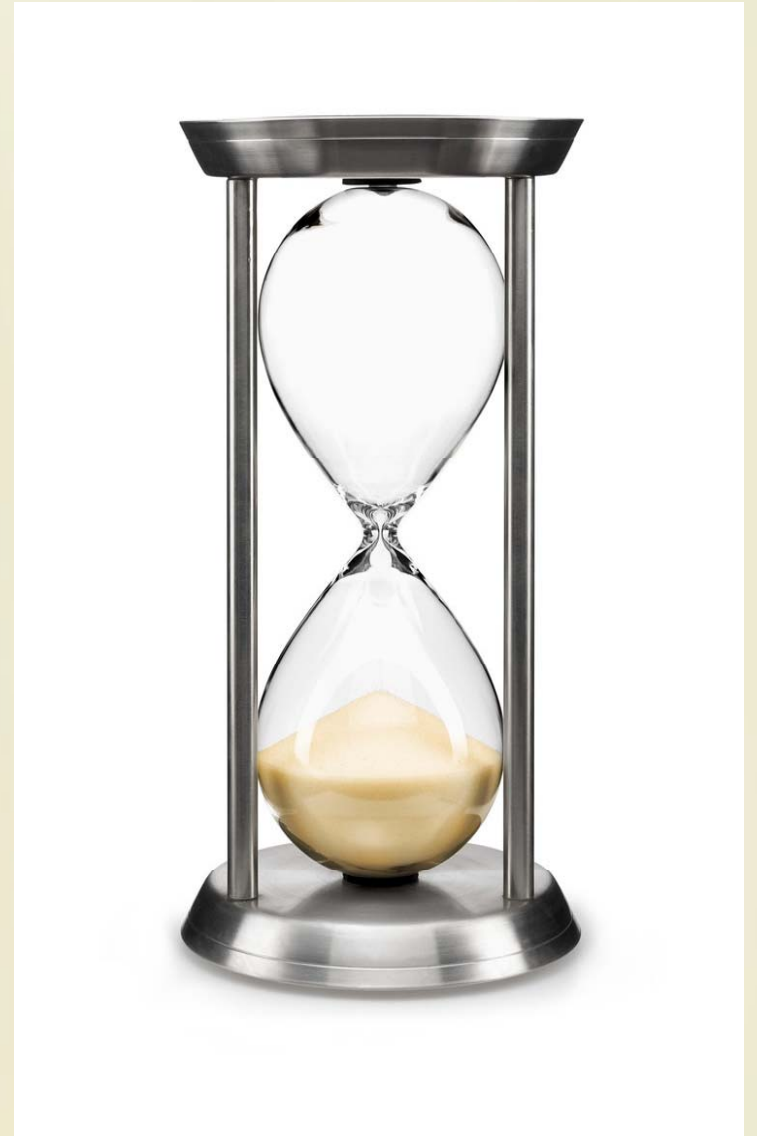
# Training

- Mass vs. just in time
- Sequence
- Learning styles
- Vital few topics



# Time

- Too long
  - Training
  - Projects
  - Resources

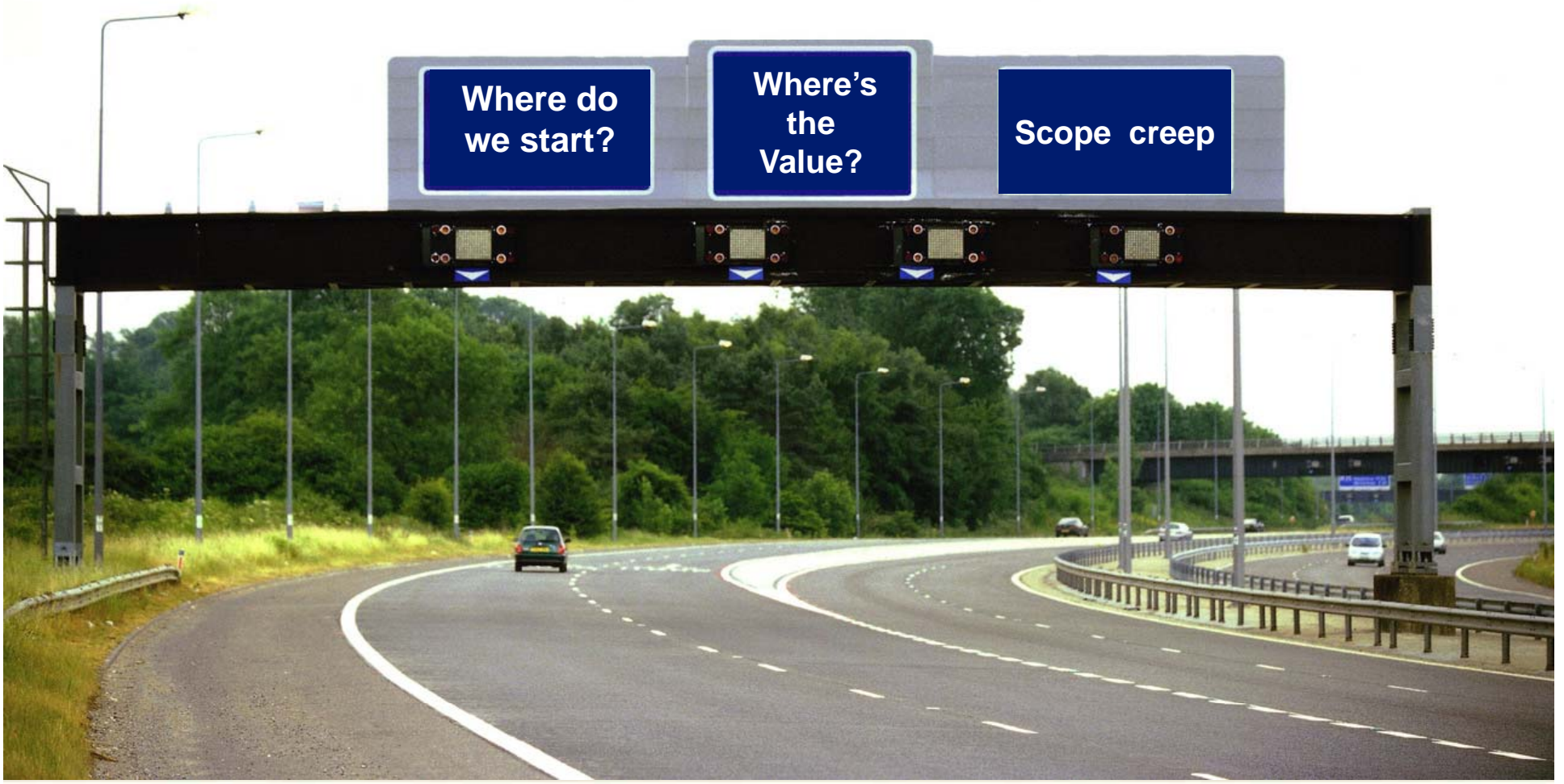


# Projects

Where do  
we start?

Where's  
the  
Value?

Scope creep



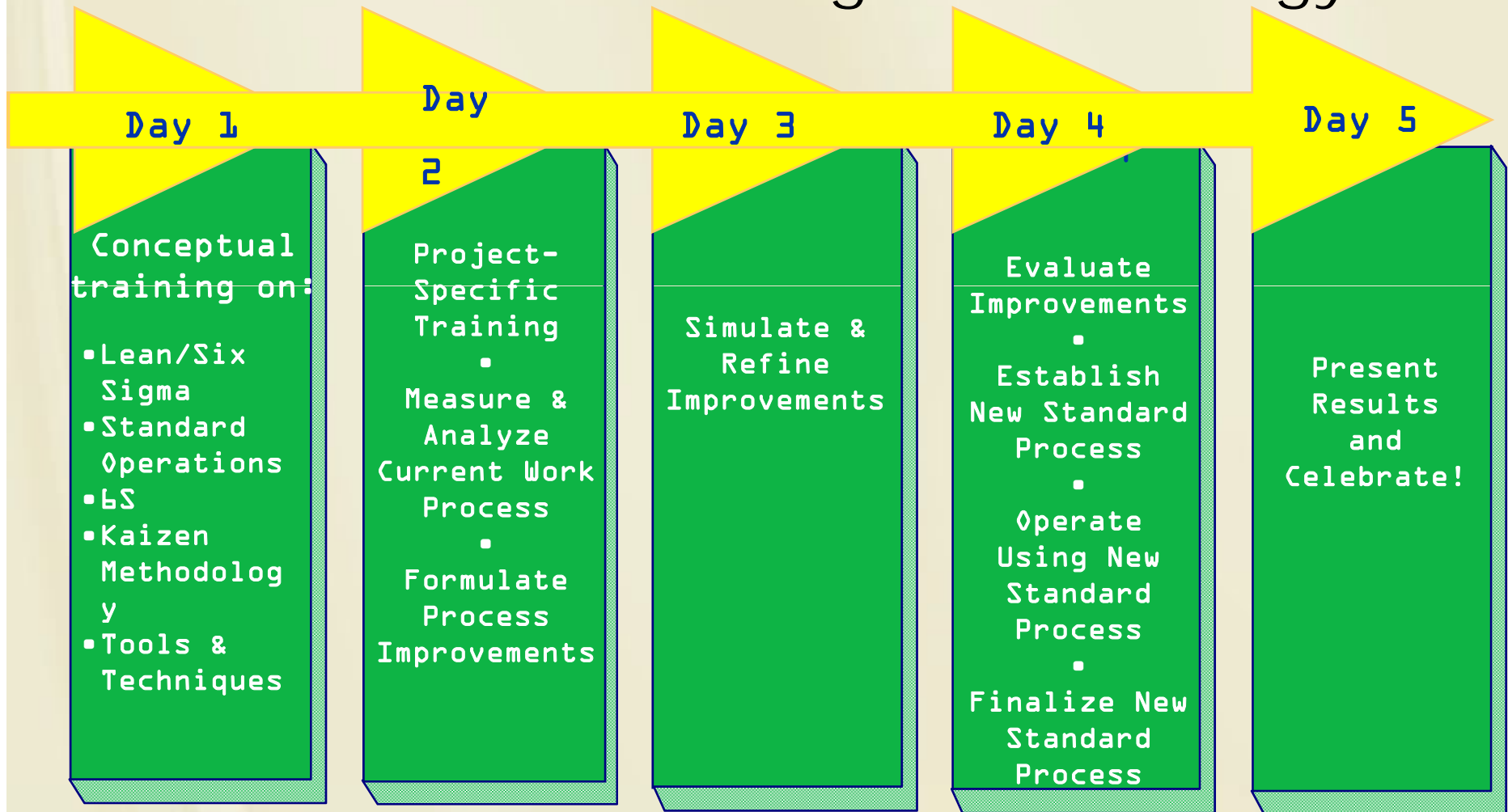
# Resources

- Competing
- Skill-level
- Disengaged
- Stretched





# Kaizen Breakthrough Methodology



# Business Excellence Projects

Project Sampling					
Goal	Project	Purpose	Participants	Activities/Tools	Results
Grow Revenue & Profitability	Invoice Process Improvement	To examine the client invoice processes to improve accuracy & cycle-time	Finance Revenue Accounting Business Excellence	Process Flow Critical X analysis Fishbone Diagram Value Analysis	Standard Work 74% reduction manual processing time
Continue Operational Excellence	Continuous Print Waste Reduction	Determine causes for waste, reduce volume	Production Operations Business Excellence	Data collection/charting C&E diagram Impact/Ease matrix	Waste reduction of 26% Standard work
Develop a High Performance Team	National Sales Support Pricing Approval	Communication of financial analysis to support informed business decisions	NSS Client Services Finance Business Excellence	Process Map Value Analysis Critical path analysis Time studies	45% reduction in cycle time 71% reduction in NVA activities
Improve Customer & Alliance Satisfaction	Software Change Management	Improve process & client expectations	Client Services Client Systems Business Excellence	Value Stream Analysis Data collection C&E diagram Critical to quality expectations	Major client becomes referencable client Zero defects created in other areas due to software change
Provide Industry Leading Solutions & Technology Across Operation Centers	Incorrect Base Stock	Reduce Quality Errors and improve allocation methods	Production Operations Client Systems Business Excellence	Data collection/charting Time studies FMEA C&E Analysis	Total external quality incidents reduce 65% 95% decrease in defective statements

## Lessons Learned

1. Build the Best Team
2. Associate Involvement
3. Training
4. Data, Data, Data
5. Nationalize vs. Regionalize
6. Celebrate, Communicate & Recognize

**Institutionalize!**

# Institutionalize

<b>Moving From . . .</b>	<b>To . . .</b>
Fire fighting	Fire prevention
Experienced based decision-making	Fact/data based decision-making
Work projects to get savings and make goals	Apply the methodology to improve business
Leadership complies with quality initiatives	Leadership drives quality initiatives
Lean/Six Sigma is about working projects	Lean/Six Sigma is 'the way we work'
Savings based on goals	Savings maximized
Lean/Six Sigma is separate – takes effort to run it	Lean/Six Sigma is institutionalized – it runs itself

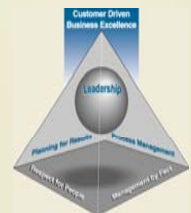


# Building the Machine To Get There

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## Critical Components

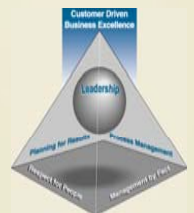
1. Strategy
2. Goals
3. Lean/Six Sigma
4. Incentives
5. Culture
6. Leadership
7. Training
8. Communication



# Strategy

- Defines where the organization wants to be in the future (Vision)
- Identifies what the organization needs to focus on to achieve its vision
- Acknowledges continuous improvement as a key element for success.

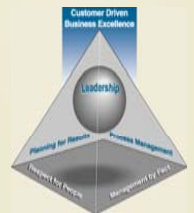
**Key Learning 1: Lean/Six Sigma is NOT a strategy but an enabler for achieving it. Business Excellence is the strategy!**



# Goals

- Translates an organization's strategy in terms that the organization can understand
- Identifies specific results that need to be implemented to achieve the vision
- Establishes clear measures of success

**Key Learning 2: Actionable goals define the framework for continuous improvement focus.**



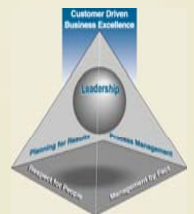


# Business Excellence

- **Lead with Lean, follow with Six Sigma**
- **The Charter**

Provide the direction, skills, training, and facilitation to lead DST Output to the achievement of its strategic goals and institutionalize continuous improvement

**Key Learning 3: The natural progression of tools and methods keeps the methodology fresh and exciting.**



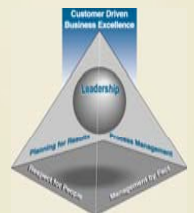
# The Machine's Engine



## **Linkage** Assures:

- Resources are focused in areas that maximize business results
- Projects create strategic value for the company and it's customers

**Key Learning 4: Projects that link to a company's strategy result in corporate and customer value.**

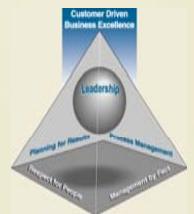


# Incentives

## Rewards & Recognition

- Linked to Corporate-wide goals
- Based on contribution to shareholder value
- Rewards the organization for positive changes in work practices
- Helps shape behavior
- Monetary, Nominal value and Free

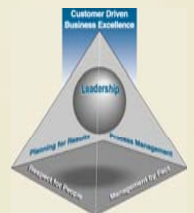
**Key Learning 5: Properly linked incentive programs maximize performance and help shape desired behavior.**



# Workforce Planning

- Right skills
- Right place
- Right time
- Links to the overall corporate strategy
- Provides a long-term plan for integrating Lean/Six Sigma leaders throughout the organization

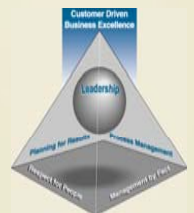
**Key Learning 6: Picking the 'right' people is critical to initial buy-in and long term success.**



# Leadership

- Links to the overall corporate strategy through Workforce Planning
- Leadership preparation with Lean/Six Sigma assures an integrated approach
- Continuous improvement project assignment strengthens key leadership skills

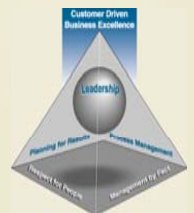
**Key Learning 7: Develop leaders through Business Excellence positions the corporation for long-term culture change.**



# Training

- JIT quality and lean training re-skills the organization
  - Customer focus
  - Process thinking
  - Data driven decisions
- Training plans should include an appropriate level of training for all employees

**Key Learning 8: Enterprise-wide training provides a common approach and language across the organization.**



# Communication

- Assures knowledge
- Engages workforce
- Increases buy-in
- Facilitates transformation



**DST** **BUSINESS EXCELLENCE**  
OUTPUT  
*"Improving Customer Satisfaction and Making Every Customer Referenceable  
By Institutionalizing Continuous Improvement"*

**What is Business Excellence?**

Business Excellence is a strategy that makes quality an integral part of the way business is designed. It goes beyond the quality of products and services, and takes on a broader meaning of maximizing the effectiveness of the business in meeting or exceeding customer value expectations and using continuous improvement to drive business results. It is the total quality of how the business operates as a system.

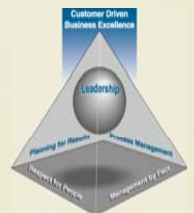


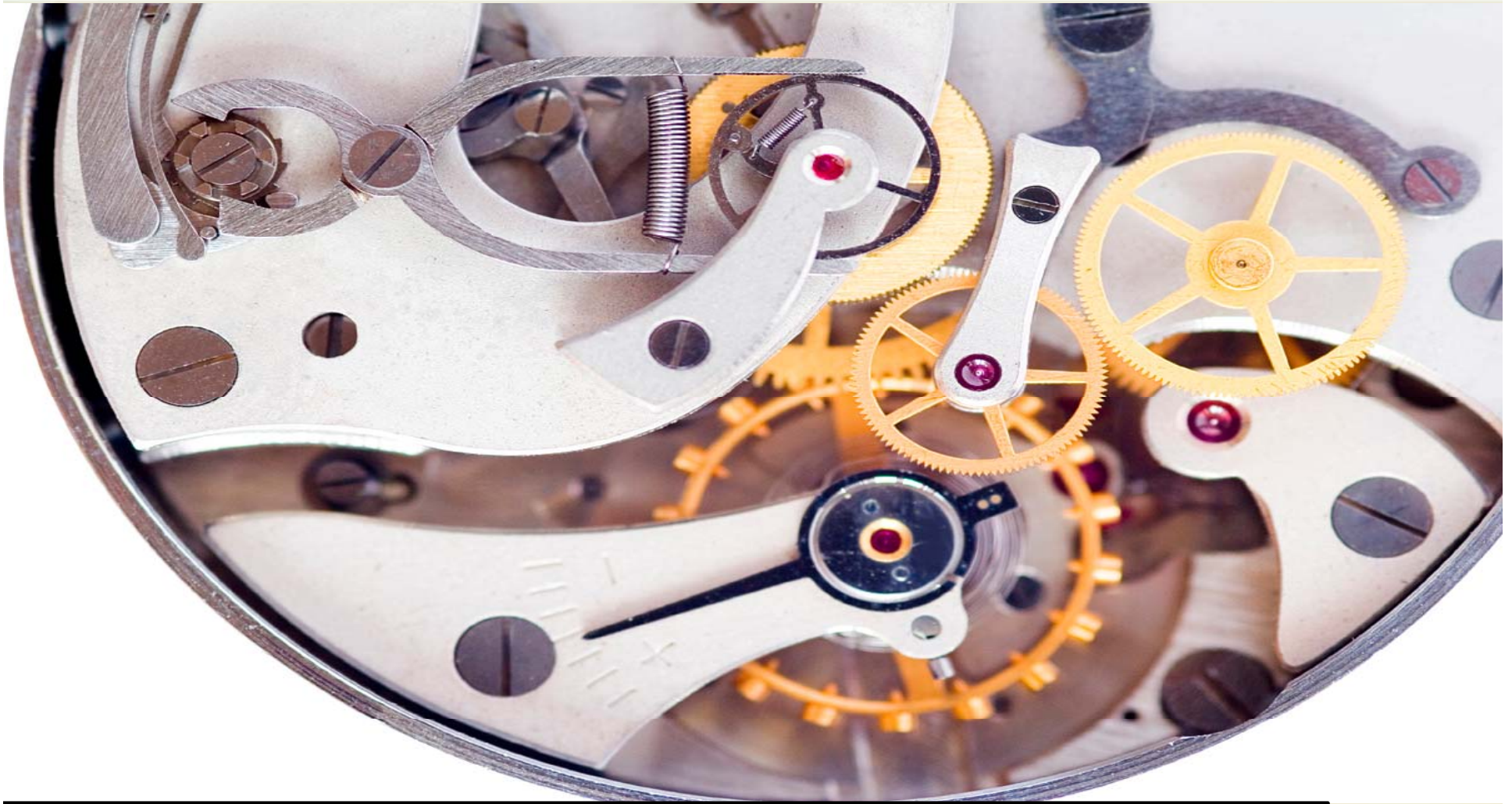
**Role and Responsibilities:**

- Provide leadership in continuous improvement strategy, approaches, and tools
- Act as facilitators and project leaders for continuous improvement initiatives
- Provide training to DST Output associates in the skills required for continuous improvement
- Share best practices throughout the organization

**Charter:** Provide the direction, skills, training and facilitation to lead DST Output to the achievement of its strategic goals and institutionalize continuous improvement.

**Key Learning 9: Communicate, Communicate, Communicate.  
It facilitates understanding, buy-in and ultimately  
success.**





**Key Learning 10: The power is not in the individual components but how they are put together!**

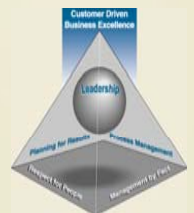




# Linkage

- Provides synergy between components
- Integrates Lean/Six Sigma in day-to-day operations
- Maximizes Lean/Six Sigma returns & shareholder value
- Creates environment to institutionalize continuous improvement
- Facilitates organizational transformation

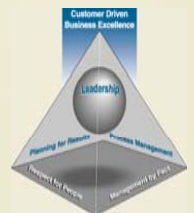
**Key Learning 11: It's more than linkage, it's synchronization!**



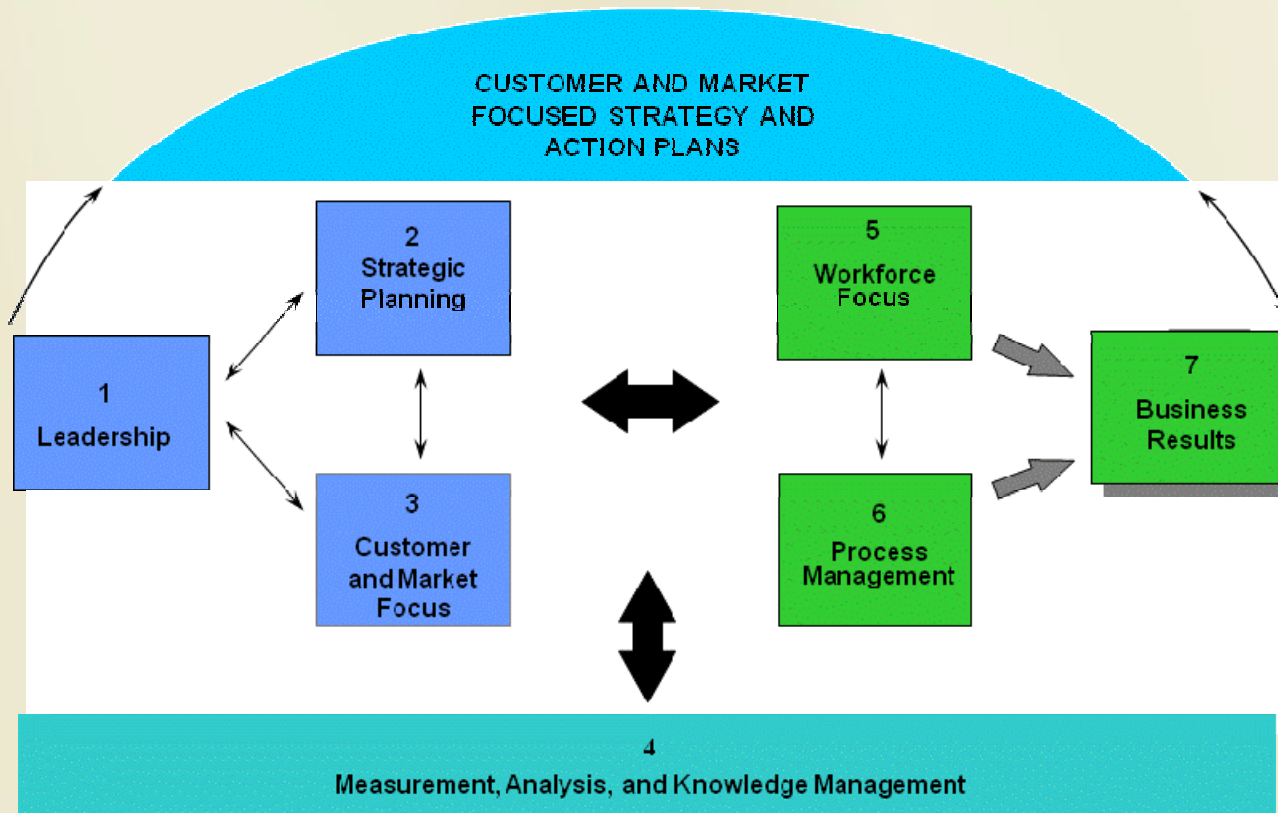
# Powering up the machine



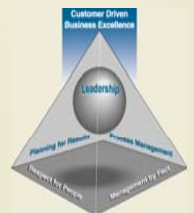
- Leadership
  - Support
  - Involvement
- Passion
  - Embrace it
  - Follow through



# Measure the Power



**Key Learning 12: Use metrics to gage progress and drive desired behavior.**



## Critical Components, Perfectly Synchronized Creating Customer Value and Corporate Growth



